

# SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

## Board Members

C. April Boling  
Chairman

Greg Cox  
Jim Desmond  
Robert H. Gleason  
Jim Janney  
Mark Kersey  
Paul Robinson  
Michael Schumacher  
Mary Sessom

## **BOARD** **AGENDA**

Thursday, September 7, 2017  
9:00 A.M.

San Diego International Airport  
SDCRAA Administration Building – Third Floor  
Board Room  
3225 N. Harbor Drive  
San Diego, California 92101

## Ex-Officio Board Members

Laurie Berman  
Eraina Ortega  
Col. Jason Woodworth

## President / CEO

Kimberly J. Becker

***Live webcasts of Authority Board meetings can be accessed at  
<http://www.san.org/Airport-Authority/Meetings-Agendas/Authority-Board>***

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. ***Please note that agenda items may be taken out of order.*** If comments are made to the Board without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting pursuant to State law.

Staff Reports and documentation relating to each item of business on the Agenda are on file in Corporate & Information Governance and are available for public inspection.

**NOTE:** Pursuant to Authority Code Section 2.15, all Lobbyists shall register as an Authority Lobbyist with the Authority Clerk within ten (10) days of qualifying as a lobbyist. A qualifying lobbyist is any individual who receives \$100 or more in any calendar month to lobby any Board Member or employee of the Authority for the purpose of influencing any action of the Authority. To obtain Lobbyist Registration Statement Forms, contact the Corporate & Information Governance/Authority Clerk Department.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. ***PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMITTEE MEETINGS (PUBLIC COMMENT) LOCATED AT THE END OF THE AGENDA.***

*The Authority has identified a local company to provide oral interpreter and translation services for public meetings. If you require oral interpreter or translation services, please telephone the Corporate & Information Governance /Authority Clerk Department with your request at (619) 400-2400 at least three (3) working days prior to the meeting.*

**CALL TO ORDER:**

**PLEDGE OF ALLEGIANCE:**

**ROLL CALL:**

**PRESENTATIONS:**

- A. SERIES 2017 BOND SALE BRIEFING:**  
Presented by Scott Brickner, Vice President, Finance & Asset  
Management/Treasurer

**REPORTS FROM BOARD COMMITTEES, AD HOC COMMITTEES, AND CITIZEN  
COMMITTEES AND LIAISONS:**

***STANDING BOARD COMMITTEES***

- **AUDIT COMMITTEE:**  
Committee Members: Gleason, Hollingworth, Robinson (Chair), Schumacher,  
Sessom, Tartre, Van Sambeek
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**  
Committee Members: Gleason, Janney(Chair), Kersey, Robinson
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**  
Committee Members: Boling, Cox, Desmond (Chair), Kersey, Schumacher
- **FINANCE COMMITTEE:**  
Committee Members: Boling (Chair), Cox, Janney, Sessom

***ADVISORY COMMITTEES***

- **AUTHORITY ADVISORY COMMITTEE:**  
Liaison: Robinson (Primary), Boling
- **ART ADVISORY COMMITTEE:**  
Committee Member: Gleason

## **LIAISONS**

- **AIRPORT LAND USE COMPATIBILITY PLAN:**  
Liaison: Janney
- **CALTRANS:**  
Liaison: Berman
- **INTER-GOVERNMENTAL AFFAIRS:**  
Liaison: Cox
- **MILITARY AFFAIRS:**  
Liaison: Woodworth
- **PORT:**  
Liaisons: Boling, Cox, Gleason (Primary), Robinson
- **WORLD TRADE CENTER:**  
Representatives: Gleason (Primary)

## **BOARD REPRESENTATIVES (EXTERNAL)**

- **SANDAG TRANSPORTATION COMMITTEE:**  
Representatives: Boling (Alternate), Janney (Primary)

## **CHAIR'S REPORT:**

## **PRESIDENT/CEO'S REPORT:**

## **NON-AGENDA PUBLIC COMMENT:**

Non-Agenda Public Comment is reserved for members of the public wishing to address the Board on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Board. Please submit a completed speaker slip to the Authority Clerk. ***Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.***

**Note:** Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

**CONSENT AGENDA (Items 1-8):**

The consent agenda contains items that are routine in nature and non-controversial. Some items may be referred by a standing Board Committee or approved as part of the budget process. The matters listed under 'Consent Agenda' may be approved by one motion. Any Board Member may remove an item for separate consideration. Items so removed will be heard before the scheduled New Business Items, unless otherwise directed by the Chair.

**1. APPROVAL OF MINUTES:**

The Board is requested to approve minutes of prior meetings.

RECOMMENDATION: Approve the minutes of the July 6, 2017, regular meeting.

**2. ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS AND PRE-APPROVAL OF ATTENDANCE AT OTHER MEETINGS NOT COVERED BY THE CURRENT RESOLUTION:**

The Board is requested to accept the reports.

RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.

**(Corporate & Information Governance: Tony R. Russell, Director/Authority Clerk)**

**3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM JUNE 12, 2017 THROUGH AUGUST 13, 2017 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JUNE 12, 2017 THROUGH AUGUST 13, 2017:**

The Board is requested to receive the report.

RECOMMENDATION: Receive the report.

**(Procurement: Jana Vargas, Director)**

**4. SEPTEMBER 2017 LEGISLATIVE REPORT:**

The Board is requested to approve the report.

RECOMMENDATION: Adopt Resolution No. 2017-0070, approving the September 2017 Legislative Report.

**(Inter-Governmental Relations: Michael Kulis, Director)**

**5. APPOINTMENT OF AUTHORITY ADVISORY COMMITTEE MEMBERS**

The Board is requested to appoint committee members.

RECOMMENDATION: Adopt Resolution No. 2017-0071, approving appointments to the Authority Advisory Committee.

**(Inter-Governmental Relations: Michael Kulis, Director)**



## **CLAIMS**

## **COMMITTEE RECOMMENDATIONS**

## **CONTRACTS AND AGREEMENTS**

**6. APPROVE AMENDMENTS TO THE AMENDED AND RESTATED SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY RETIREMENT PLAN AND TRUST OF 2013:**

The Board is requested to approve amendments.

RECOMMENDATION: Adopt Resolution No. 2017-0072, approving Amendment No. 4 to the Amended and Restated Retirement Plan and Trust of 2013; and

Adopt Resolution No. 2017-0073, approving Amendment No. 5 to the Amended and Restated Retirement Plan and Trust of 2013.

**(Legal: Amy Gonzalez, General Counsel)**

**7. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AGREEMENTS FOR OUTSIDE LEGAL COUNSEL SERVICES:**

The Board is requested to award agreements.

RECOMMENDATION: Adopt Resolution No. 2017-0074, approving and authorizing the President/CEO to negotiate and execute an Agreement with Best Best & Krieger LLP for legal services for a term of three years with two one-year options to renew for a maximum amount payable of \$500,000; and

Adopt Resolution No. 2017-0075, approving and authorizing the President/CEO to negotiate and execute an Agreement with Gatzke Dillon & Balance LLP for legal services for a term of three years with two one-year options to renew for a maximum amount payable of \$500,000; and

Adopt Resolution No. 2017-0076, approving and authorizing the President/CEO to negotiate and execute an Agreement with Kaplan Kirsch & Rockwell LLP for legal services for a term of three years with two one-year options to renew for a maximum amount payable of \$500,000; and

Adopt Resolution No. 2017-0077, approving and authorizing the President/CEO to negotiate and execute an Agreement with Morrison & Foerster LLP for legal services for a term of three years with two one-year options to renew for a maximum amount payable of \$500,000.

**(Legal: Amy Gonzalez, General Counsel)**

**8. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A LICENSING AGREEMENT WITH THE ROCKY MOUNTAIN INSTITUTE FOR THE ADMINISTRATION OF 'THE GOOD TRAVELER' CARBON OFFSET PROGRAM AND THE SUPPLY OF CARBON OFFSETS:**

The Board is requested to approve an agreement.

RECOMMENDATION: Adopt Resolution No. 2017-0078, approving and authorizing the President/CEO to execute a licensing agreement with the Rocky Mountain Institute for the administration of 'The Good Traveler' program and the supply of carbon offsets.

**(Planning & Environmental Affairs: Brendan Reed, Director)**

***CONTRACTS AND AGREEMENTS AND/OR AMENDMENTS TO CONTRACTS AND AGREEMENTS EXCEEDING \$1 MILLION***

**PUBLIC HEARINGS:**

**OLD BUSINESS:**

**NEW BUSINESS:**

**9. RENEWAL OF THE HEALTH AND WELFARE BENEFITS PROGRAM FOR 2018:**

The Board is requested to approve the program.

RECOMMENDATION: Adopt Resolution No. 2017-0079, approving the renewal of the Health and Welfare Benefits Program for 2018.

**(Talent, Culture & Capability: Kurt Gering, Director; and Willis Towers Watson: Jesus Mendoza, Vice President)**

**10. AUTHORIZE A WAIVER OF SEASONAL AIR SERVICE INCENTIVE PROGRAM REQUIREMENTS FOR EDELWEISS AIR:**

The Board is requested to authorize a waiver.

RECOMMENDATION: Adopt Resolution No. 2017-0080, authorizing a waiver of Seasonal Air Service Incentive Program Requirements for Edelweiss Air.

**(Air Service Development: Hampton Brown, Senior Director)**

**11. ACCEPTANCE OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED JUNE 30, 2017:**

The Board is requested to accept the report.

RECOMMENDATION: Accept the report.

**(Finance and Asset Management: Kathy Kiefer, Senior Director)**

**12. ACCEPTANCE OF THE AUTHORITY'S INVESTMENT REPORT FOR THE TWELVE MONTHS ENDED JUNE 30, 2017:**

The Board is requested to accept the report.

RECOMMENDATION: Accept the report.

**(Business and Financial Management: Geoff Bryant, Manager, Airport Finance)**

**CLOSED SESSION:**

- 13. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)  
Name of Case: GGTW LLC v San Diego County Regional Airport Authority, et al., San Diego Superior Court Case No. 37-2016-00032646-CU-BC-CTL
- 14. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)  
Name of Case: San Diego County Regional Airport Authority v. American Car Rental, Inc., San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL
- 15. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)  
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al., San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EI-NC
- 16. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION**  
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)  
Name of Case: K.S.A.N. L.L.C v. San Diego County Regional Airport Authority, et al.  
San Diego Superior Court Case No. 37-2017-00024982-CU-NP-CTL
- 17. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)  
Administrative Draft Investigative Order No. R9-2017-0079 by the California Regional Water Quality Control Board pertaining to an investigation of sediment pollutants in the Laurel Hawthorne Central Embayment of San Diego Bay, San Diego, California  
Number of Cases: 1
- 18. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)  
Navy Boat Channel Environmental Remediation  
Number of potential cases: 1
- 19. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)  
Number of potential cases: 2

20. **CONFERENCE WITH LEGAL COUNSEL –ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)  
In re Seaport Airlines, Inc., U.S. Bankruptcy Court Case No. 16-30406-rld7  
Number of potential cases: 1
21. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**  
(Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Cal. Gov. Code §54956.9)  
Number of cases: 1
22. **CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**  
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)  
The Receipt of a Government Claim from David Freund and Request for Defense and Indemnity from the San Diego Unified Port District regarding the Claim
23. **CONFERENCE WITH LABOR NEGOTIATOR:**  
Labor negotiations pursuant to Cal. Gov. Code §54957.6  
Authority Designated Negotiators: Kimberly Becker, President & CEO and Kurt Gering, Director Talent, Culture & Capability  
Employee Organization: Teamsters 911
24. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**  
Cal. Gov. Code §54957  
Title: President/Chief Executive Officer

**REPORT ON CLOSED SESSION:**

**GENERAL COUNSEL REPORT:**

**BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY:**

**BOARD COMMENT:**

**ADJOURNMENT:**

**Policy for Public Participation in Board, Airport Land Use Commission (ALUC), and Committee Meetings (Public Comment)**

- 1) Persons wishing to address the Board, ALUC, and Committees shall complete a "Request to Speak" form prior to the initiation of the portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to complete a form shall not preclude testimony, if permission to address the Board is granted by the Chair.
- 2) The Public Comment Section at the beginning of the agenda is limited to eighteen (18) minutes and is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board. A second Public Comment period is reserved for general public comment later in the meeting for those who could not be heard during the first Public Comment period.
- 3) Persons wishing to speak on specific items listed on the agenda will be afforded an opportunity to speak during the presentation of individual items. Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board, ALUC and Committees. Public comment on specific items is limited to twenty (20) minutes – ten (10) minutes for those in favor and ten (10) minutes for those in opposition of an item. Each individual speaker will be allowed three (3) minutes, and applicants and groups will be allowed five (5) minutes.
- 4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
- 5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.
- 6) After a public hearing or the public comment portion of the meeting has been closed, no person shall address the Board, ALUC, and Committees without first obtaining permission to do so.

**Additional Meeting Information**

**NOTE:** This information is available in alternative formats upon request. To request an Agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device (ALD) for the meeting, please telephone the Authority Clerk's Office at (619) 400-2400 at least three (3) working days prior to the meeting to ensure availability.

For your convenience, the agenda is also available to you on our website at [www.san.org](http://www.san.org).

**For those planning to attend the Board meeting, parking is available in the public parking lot located directly in front of the Administration Building. Bring your ticket to the third floor receptionist for validation.**

**You may also reach the Administration Building by using public transit via the San Diego Metropolitan Transit System, Route 992. The MTS bus stop at Terminal 1 is a very short walking distance from the Administration Building. ADA paratransit operations will continue to serve the Administration Building as required by Federal regulation. For MTS route, fare and paratransit information, please call the San Diego MTS at (619) 233-3004 or 511. For other Airport related ground transportation questions, please call (619) 400- 2685.**

**UPCOMING MEETING SCHEDULE**

<i>Date</i>	<i>Day</i>	<i>Time</i>	<i>Meeting Type</i>	<i>Location</i>
October 5	Thursday	9:00 a.m.	Regular	Board Room



**SAN DIEGO**  
INTERNATIONAL AIRPORT

LET'S **GO.**

# Series 2017 Bond Sale Briefing

September 7, 2017

Presented by:

Scott Brickner

Vice President of Finance & Asset Management

# Authority Bond Financing Requirements

## Series A (Non AMT)

Parking Plaza \$127 million

Other projects \$ 35 million



## Series B (AMT)

FIS

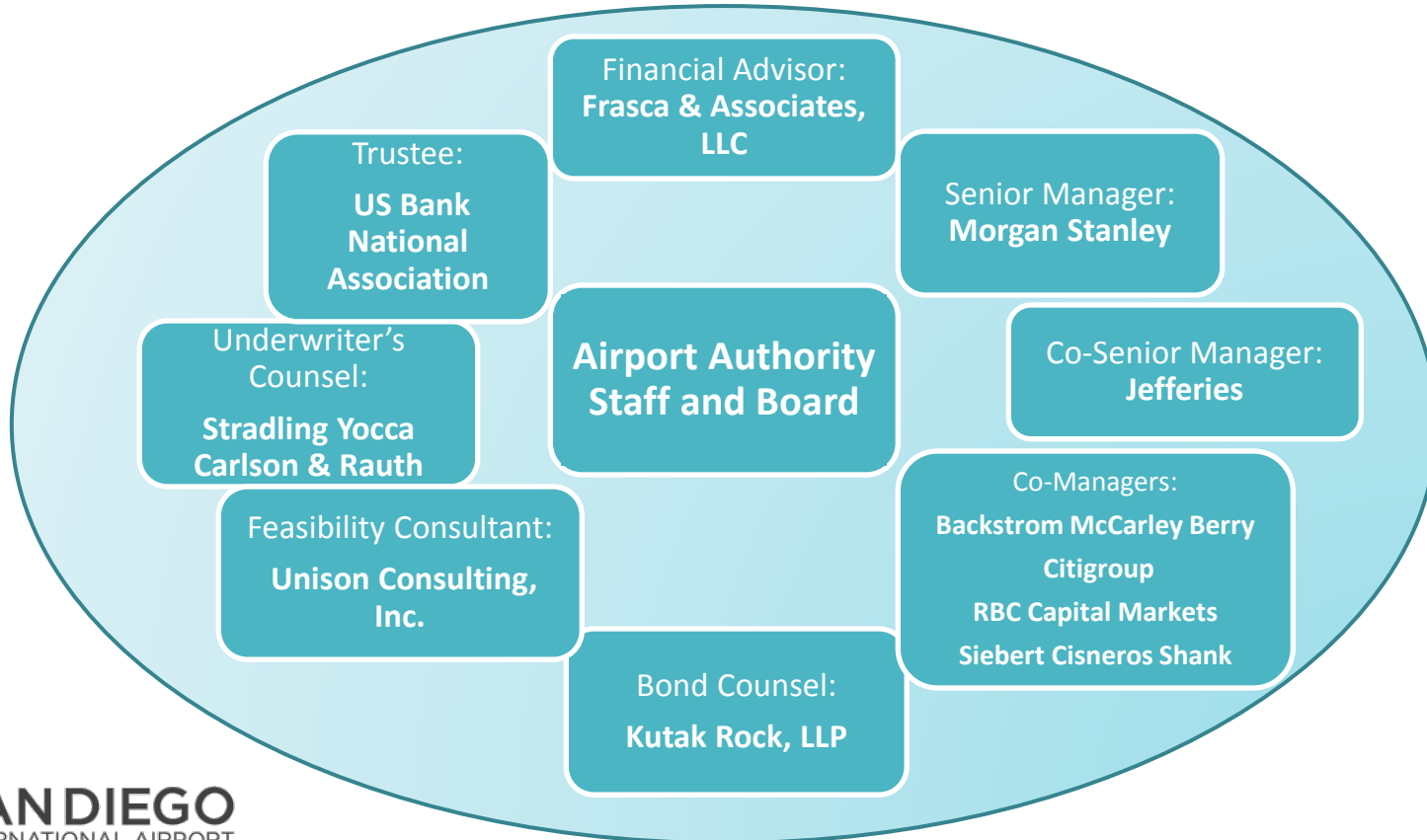
\$149 million

Other Projects

\$10 million



# 2017 Bonds Financing Team







# Rating Agency Presentations & Credit Ratings



## San Diego County Regional Airport Authority

Subordinate Airport Revenue Bonds, Series 2017A (Non-AMT) – \$157,030,000\*

Subordinate Airport Revenue Bonds, Series 2017B (AMT) – \$156,850,000\*

*\*Preliminary and subject to change*

RATING AGENCY PRESENTATION  
JUNE 2017

## Debt Ratings

### General Airport Revenue Bonds

	Senior Debt	Subordinate Debt
Fitch	A+	A
Moody's	A1	A2
Standard & Poor's	A+	A

### Special Facility CFC Revenue Bonds

	Senior Debt
Moody's	A3
Standard & Poor's	A-

# Marketing and Investor Outreach



## San Diego County Regional Airport Authority

### Subordinate Airport Revenue Bonds:

**\$155,305,000\* Series 2017A (Non-AMT)**

**\$155,120,000\* Series 2017B (AMT)**

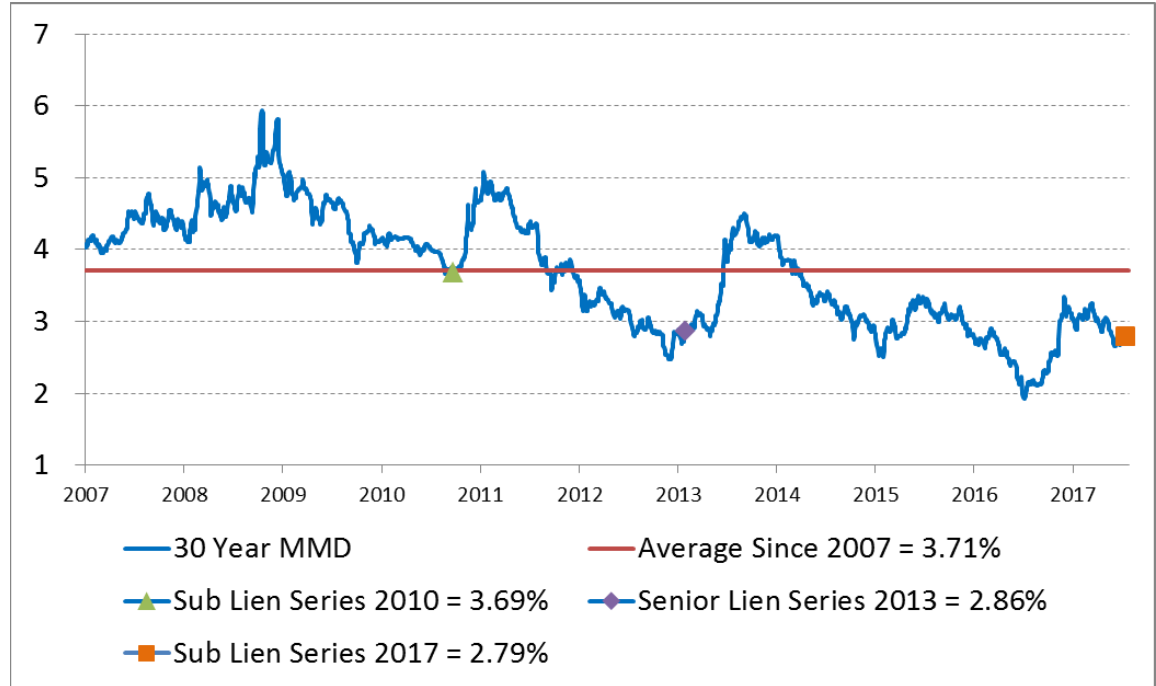
### *Investor Presentation*

\* Preliminary, subject to change

# Favorable Market Conditions

- ▶ Long term interest rates are close to historic lows
- ▶ Relatively flat yield curve
- ▶ Favorable funds flow environment

## 30 Year MMD Index



# July 18 2017: Pricing

## Central Command



## Morgan Stanley Trading Floor



# Results

- Bonds sold to 80 separate institutional investors
- Bonds were nine times subscribed
- Obtained attractive rates for the transaction resulting in a net present value savings of \$25.9 million vs. the feasibility consultant's forecast
- Annual debt service \$1.5 million less than the feasibility forecast
- The All-in True Interest Cost for the transaction was 3.74%



# GARB Deal Summaries

Airport	Date	Rating	Tax Status (final Maturity)	Final Maturity Yield	Final Maturity MMD Spread
Massport	7/12	AA	AMT (2047)	3.30%	+44
LAX	7/11	AA-	AMT (2047)	3.36%	+50
<b>SAN</b>	<b>7/18</b>	<b>A</b>	<b>AMT (2047)</b>	<b>3.29%</b>	<b>+50</b>
LAX	7/11	AA-	Non AMT (2042)	3.08%	+27
<b>SAN</b>	<b>7/18</b>	<b>A</b>	<b>Non AMT (2047)</b>	<b>3.08%</b>	<b>+29</b>

# GARB Deal Summaries

- Lowest all in true interest cost compared with any Authority GARB deal

Deal	Par (000's)	All-in True Interest Cost
2010 Subordinate	\$572,565	4.38%
2013 Senior	\$379,585	3.92%
<b>2017 Subordinate</b>	<b>\$291,210</b>	<b>3.74%</b>



# Closed August 3<sup>rd</sup> Posting Official Statement (OS) and Closing

**NEW ISSUES  
BOOK-ENTRY ONLY**

Rating: See "RATINGS" herein.

*In the opinion of Kink Rock LLP, Bond Counsel to the Authority, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Subordinate Series 2017 Bonds is excluded from gross income for federal income tax purposes, except for interest on any Subordinate Series 2017B Bond for any period during which such Subordinate Series 2017B Bond is either a "Subordinated" or "Subordinated" as defined in the Tax Matters section of the Subordinate Series 2017B Bonds or a "related person" within the meaning of Section 141(e) of the Internal Revenue Code of 1986, as amended. Bond Counsel is further of the opinion that (a) interest on the Subordinate Series 2017A Bonds is not a specific item of tax preference for purposes of the federal alternative minimum tax, except that interest on the Subordinate Series 2017A Bonds will be included in a corporation taxpayer's adjusted taxable earnings for purposes of computing its federal alternative minimum tax, and (b) interest on the Subordinate Series 2017B Bonds is a specific item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is further of the opinion that interest on the Subordinate Series 2017B Bonds is exempt from present State of California personal income taxes. See "TAX MATTERS" herein.*

 <p><b>SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY</b></p>	<b>\$291,210,000</b> <b>SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY</b> <b>Subordinate Airport Revenue Bonds</b>		 <p><b>SAN DIEGO METROPOLITAN COUNCIL OF GOVERNMENTS</b></p>
	<b>\$146,605,000</b> <b>SERIES 2017A</b> <b>(NON-AMT)</b>	<b>\$145,170,000</b> <b>SERIES 2017B</b> <b>(AMT)</b>	

**Series:** 2017A (NON-AMT) and 2017B (AMT)

**Issue Date:** July 1 as shown on the inside cover

**Interest:** The San Diego County Regional Airport Authority (the "Authority") is issuing its Subordinate Airport Revenue Bonds, Series 2017A (the "Subordinate Series 2017A Bonds"), and Subordinate Airport Revenue Bonds, Series 2017B (the "Subordinate Series 2017B Bonds"), and together with the Subordinate Series 2017A Bonds, the "Subordinate Series 2017 Bonds", to (a) pay and/or reimburse the Authority for certain capital improvements at San Diego International Airport, (b) repay a portion of the outstanding Subordinate Revolving Obligations, (c) fund a portion of the interest accruing on the Subordinate Series 2017 Bonds, (d) make a deposit to the Subordinate Reserve Fund, and (e) pay the costs of issuance of the Subordinate Series 2017 Bonds. See "PLAN OF FINANCE AND ESTIMATED SOURCES AND USES OF FUNDS" herein.

**Security:** The Subordinate Series 2017 Bonds are special obligations of the Authority, payable solely from and secured by a pledge of (a) Subordinate Net Revenues, which include certain income and revenue received by the Authority from the operation of the Airport System, less all amounts that are required to pay the Operation and Maintenance Expenses of the Airport System and less all amounts necessary to pay debt service on and fund the reserves for the Senior Bonds; and (b) certain funds and accounts held by the Subordinate Trustee under the Subordinate Indenture. The Subordinate Series 2017 Bonds will be issued with a pledge of and lien on Subordinate Net Revenues on parity with the Authority's Subordinate Series 2010 Bonds, which, as of July 2, 2017, were outstanding in the aggregate principal amount of \$164,090,000. The Subordinate Series 2017 Bonds Revolving Obligations, which are authorized to be outstanding in the aggregate principal amount of \$15,000,000 at any one time, and the Authority's Subordinate Derivative Bonds, which are authorized to be outstanding in the aggregate principal amount of \$100,000,000 at any one time.

**Non-Recourse:** NONE OF THE PROPERTIES OF THE AIRPORT SYSTEM ARE SUBJECT TO ANY MORTGAGE OR OTHER LIEN FOR THE BENEFIT OF THE OWNERS OF THE SUBORDINATE SERIES 2017 BONDS, AND NEITHER THE FIDELITY, FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY, THE CITY OF SAN DIEGO, THE COUNTY OF SAN DIEGO, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE OF CALIFORNIA IS PLEDGED FOR THE PAYMENT OF THE PRINCIPAL OR INTEREST ON THE SUBORDINATE SERIES 2017 BONDS. SEE "SECURITY AND SOURCES OF PAYMENT FOR THE SUBORDINATE SERIES 2017 BONDS."

**Depository:** The Subordinate Series 2017 Bonds will be issued as fully registered bonds in the name of Cede & Co., as registered issuer and nominee of The Depository Trust Company ("DTC"), New York, New York. Individual purchases and sales of the Subordinate Series 2017 Bonds may be made in book entry form on a dematerialized \$1,000 integral multiple basis. Interest on the Subordinate Series 2017 Bonds may be payable on January 1 and July 1, commencing on January 1, 2018. So long as the Subordinate Series 2017 Bonds are held by DTC, the principal and interest on the Subordinate Series 2017 Bonds will be payable by wire transfer to DTC, which in turn will be required to remit such principal and interest to the DTC participants for subsequent distribution to the beneficial owners of the Subordinate Series 2017 Bonds, as more fully described herein. See "APPENDIX F—BOOK-ENTRY-ONLY SYSTEM."

**Maturity Schedule on Inside Front Cover**

**Structure:** The Subordinate Series 2017 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity, as more fully described herein. See "DESCRIPTION OF THE SUBORDINATE SERIES 2017 BONDS—Redemption Provisions."

**Investment:** The purchase and ownership of Subordinate Series 2017 Bonds involve investment risk and may not be suitable for all investors. This cover page contains certain information only. It is not intended to be a summary of the security or terms of the Subordinate Series 2017 Bonds. Investors are advised to read the entire Official Statement, including any portion hereof included by reference, to obtain information required to the making of an informed decision, giving particular attention to the matters discussed under "CERTAIN INVESTMENT CONSIDERATIONS." Capitalized terms used on this cover page and not otherwise defined have the meanings set forth herein.

**Legal:** The Subordinate Series 2017 Bonds are offered by, and if issued by the Authority, subject to the approval of validity by Kink Rock LLP, Bond Counsel to the Authority, and are offered by, and if issued by the Authority, subject to the approval of validity by Kink Rock LLP, Bond Counsel to the Authority. Certain legal matters will be passed upon for the Underwriters by their counsel, Prudential Investor Care & Bank, a Professional Corporation. Prudential Investor Care & Bank, a Professional Corporation, is the legal counsel to the Authority. It is expected that the delivery of the Subordinate Series 2017 Bonds will be made through the facilities of DTC on or about August 1, 2017.

**Marketing:** Morgan Stanley, Backstrom McCarthy Berry & Co., LLC, Citigroup, RBC Capital Markets, Siebert Glanville Shank & Co., L.L.C., Jefferies

**Date of Official Statement:** July 18, 2017.

## Final Closing Memorandum

Public Finance  
1555 Broadway  
New York, NY 10036

555 California Street, Suite 2200  
San Francisco, California 94114

**Morgan Stanley**

**To:** Working Group

**Date:** August 1, 2017

**From:** Morgan Stanley  
Ira Smerlakian (212) 761-9059  
Adam Aranda (415) 576-2087  
Esther Berg (415) 576-2072  
Kamberly Bacon (212) 761-9027  
Stephan Kim (415) 576-8703

**cc:** Morgan Stanley Syndicate Operations  
Sopa Richardson (917) 260-5213  
Zoriana Flores (917) 260-5488  
Leo Cheng (917) 260-5216

**Subject:** \$291,210,000  
San Diego County Regional Airport Authority  
Subordinate Airport Revenue Bonds  
\$146,605,000 Series 2017A  
\$145,170,000 Series 2017B

Below, we describe the flow of funds for the closing of the San Diego County Regional Airport Authority's (the "Authority") Subordinate Airport Revenue Bonds, Series 2017A (Non-AMT) and Series 2017B (AMT) (the "Bonds") on Thursday, August 3, 2017 at 8:00 am PT. As detailed herein, on the day of closing, Morgan Stanley will execute one wire transfer. Morgan Stanley will wire the bond purchase price to the Subordinate Trustee, U.S. Bank. For deposit into the Construction Funds, Non-AMT Revolving Obligations Redemption Account, Capitalized Interest Accounts, Subordinate Reserve Fund, and Cost of Issuance Accounts. Upon confirmation of the above wire transfer and execution and delivery of all closing documents and legal opinions, Morgan Stanley shall contact DTC, Bond Counsel, and U.S. Bank to release the Bonds to Morgan Stanley and the financing will then be closed. This will occur on the conference call below and the entire working group is invited, but is not required to join that call.

**L THE OFFERING**

**Dated:** July 18, 2017

**Series/Delivery Date:** Thursday, August 3, 2017

**Pre-Closing Location & Time:** Pre-closing will be held at Kink Rock LLP and via conference call on Wednesday, August 2, 2017 at 4:00 pm PT / 7:00 pm ET. Pre-closing will also serve as a check-in call. Please use the dial-in information below:

**When:** Wednesday, August 2, 2017, 4:00 pm PT / 7:00 pm ET  
**Where:** Kink Rock LLP  
1801 California Street, Suite 3000  
Denver, CO 80202  
**Telephone Number:** (877) 777-8895  
**Participant Code:** 447-7288

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# *Questions*



**DRAFT  
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD  
MINUTES  
THURSDAY, JULY 6, 2017  
SAN DIEGO INTERNATIONAL AIRPORT  
BOARD ROOM**

**CALL TO ORDER:** Chairman Boling called the regular meeting of the San Diego County Regional Airport Authority to order at 9:03 a.m. on Thursday, July 6, 2017, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

**PLEDGE OF ALLEGIANCE:** Board Member Woodworth (Ex Officio) led the Pledge of Allegiance.

**ROLL CALL:**

PRESENT: Board Members: Boling (Chairman), Cox, Gleason, Janney, Kersey, Robinson, Schumacher, Woodworth (Ex-Officio)

ABSENT: Board Members: Berman (Ex-Officio), Desmond, Ortega (Ex Officio), Sessom

ALSO PRESENT: Angela Shafer-Payne, Vice President Operations; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk; Stephanie Heying, Assistant Authority Clerk II

Chairman Boling announced that following the presentation for Item A, the Board would take public comment, and then Item 17 would be heard.

**PRESENTATIONS:**

**A. PORT MASTER PLAN UPDATE:**

Rafael Castellanos, Vice Chairman, Board of Commissioners, Port of San Diego (Port), and Lesley Nishihira, Principal, Planning and Green Port, Port of San Diego provided a presentation on the Port Master Plan Update – Integrated Planning, which included the Port’s Jurisdiction; Port’s Budget for 2016-2017; Current Port Master Plan; Integrated Planning; Comprehensive Park Plan; Baywide Water Plan; Mobility Plan; Land Use and Development Opportunities; Public Engagement; Draft Modified Timeline for Increased Public Engagement; and Cross-Connecting Themes.

**NON-AGENDA PUBLIC COMMENT:**

DOLORAS SANCHEZ, SAN DIEGO, spoke regarding the Service Employees International Union (SEIU) and Janitor negotiations.

DOLORES CORRALES, SAN DIEGO, spoke regarding the Service Employees International Union (SEIU) and Janitor negotiations.

GENOVEVA AGUILAR, SAN DIEGO, spoke regarding the Service Employees International Union (SEIU) and Janitor negotiations.

SANDRA VALONE, SAN DIEGO, spoke regarding the flight path and noise in her neighborhood.

**NEW BUSINESS:**

**17. DISCUSSION AND POSSIBLE ACTION REGARDING STREET PRICING REQUIREMENT CONTAINED IN CONCESSION AGREEMENTS:**

Scott Brickner, Vice President, Business and Financial Management, Kathy Kiefer, Senior Director, Finance and Asset Management, and Eric Podnieks, Program Manager, Real Property and Concessions provided a presentation on the Discussion and Possible Action Regarding Street Pricing Requirements Contained in Concession Agreements, which included the Existing Concession Program; Goals of Program; Process Used to Implement Program; Why "Street Pricing + 10%"; Street Pricing Lease Terms, Financial Stability Concerns; Financial Performance of Program; and Pricing Options to Consider.

In response to Board Member Cox's inquiry as to the effect the minimum wage increase would have on prices, Mr. Podnieks responded that street pricing mirrors what is happening in the community, so if the community prices go up as a result of the minimum wage increase or other factors then the airport's prices would go up the same proportion to the comparable locations.

JOHN CLARK, ATLANTA, GA, Vice President, Business and Development, representing SSP stated that SSP has been working with Authority staff for a year to identify a resolution and some of the ideas discussed have been brought forth today and he ask for an opportunity to continue the discussions to find a resolution for both sides.

Scott Brickner, Vice President, Business and Financial Management, clarified that the surcharge being discussed would not be a separate charge on the customer's receipt but an increase in the base price.

Board member Gleason stated that he is okay with including the surcharge in the base price.

Board Member Kersey stated that it is probably not a good idea to use sports and entertainment venues for comparables and that adding the 3 percent surcharge to the base price would be appropriate.

Chairman Boling expressed concern that the Board would be interfering in concessionaires business and does not feel the Authority should be. She also stated she would be ok with the 3 percent surcharge as described.

Board Member Robinson spoke in favor of maintaining the current requirements and monitoring the situation during 2018.

Mr. Podnieks clarified that if an off airport venue is charging a 3 percent surcharge e.g., a \$10 charge would be \$10.30, so if that business was one of the three comparables provided then staff would consider the \$10.30 as the base and apply 10 percent.

Board Member Janney stated that the surcharge would only affect concessions, and that more time is needed to see what the impacts are to concession prices.

In response to Board Member Kersey's question regarding how many vendors the 3 percent surcharge might affect, Mr. Podnieks stated that it would be difficult to predict how many vendors this might affect.

Board Member Kersey made a motion to select option 1 as outlined in the staff report, to leave street pricing language unchanged with the intent to re-evaluate in the fall of 2018, based on actual performance at that time. Board Member Robinson seconded the motion.

Chairman Boling stated that she is most concerned with the price of water, which has the highest volume and causes the biggest problems and expressed her support for the motion to make no change and re-evaluate when negotiations are done next year.

RECOMMENDATION: Provide direction to staff.

**ACTION: Moved by Board Member Kersey and seconded by Board Member Robinson to select Option 1, as outlined in the Staff Report, to leave pricing language unchanged with the intent to re-evaluate in the fall of 2018 based on actual performance at that time. Motion carried by the following votes: YES – Boling, Cox, Gleason, Janney, Kersey, Robinson, Schumacher; NO – None; ABSENT – Desmond, Sessom; (Weighted Vote Points: YES – 80; NO – 0; ABSENT – 20).**

**CLOSED SESSION:** The Board recessed into Closed Session at 10:42 a.m. to discuss Items 21, 26, 29, and 30.

- 21. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)  
Name of Case: GGTW LLC v San Diego County Regional Airport Authority, et al., San Diego Superior Court Case No. 37-2016-00032646-CU-BC-CTL
- 22. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)  
Name of Case: San Diego County Regional Airport Authority v. American Car Rental, Inc., San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL
- 23. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)  
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al., San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EI-NC
- 24. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)  
Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.  
Number of potential cases: 1
- 25. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)  
Navy Boat Channel Environmental Remediation  
Number of potential cases: 1
- 26. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)  
Number of potential cases: 2
- 27. CONFERENCE WITH LEGAL COUNSEL –ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)  
In re Seaport Airlines, Inc., U.S. Bankruptcy Court Case No. 16-30406-rld7  
Number of potential cases: 1
- 28. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**  
(Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Cal. Gov. Code §54956.9)  
Number of cases: 1

**29. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**

Cal. Gov. Code §54957

Title: General Counsel

**30. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**

Cal. Gov. Code §54957

Title: Chief Auditor

**REPORT ON CLOSED SESSION:** The Board reconvened into Open Session at 11:05 a.m. There was no reportable action.

**REPORTS FROM BOARD COMMITTEES, AD HOC COMMITTEES, AND CITIZEN COMMITTEES AND LIAISONS:**

***STANDING BOARD COMMITTEES***

- **AUDIT COMMITTEE:** None.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** None.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Chairman Boling reported that the Committee met on June 1, 2017, to review the General Counsel and Chief Auditor's 2017 Performance. The next Committee meeting will be held on August 28.
- **FINANCE COMMITTEE:** Chairman Boling reported that the Finance Committee met on June 26 and reviewed the financial status of the Airport as well as information on bonds, which the Board will be hearing about in more detail in today's meeting.

## **ADVISORY COMMITTEES**

- **AUTHORITY ADVISORY COMMITTEE:** None.
- **ART ADVISORY COMMITTEE:** Board Member Gleason reported that the Call for Proposals for the 2018 Temporary Exhibition was released and is open until July 16, and that next year's theme is *Figure of Speech*. He reported that the Performing Arts have an ongoing concert series and the Performing Arts Residency transcenDANCE will perform pre-security on July 27. He reported Ueberall International, *Dazzle*: Installation of e-paper tiles was completed at the Rental Car Center; that staff has contracted with a fundraising consultant to explore sponsorship options for the Palm Street Observation Area; and the Mural Project on Admiral Boland Way has a call for artist, which will close on July 24. He reported that the Committee received presentations for the Federal Inspection Services (FIS) by commissioned artist Aaron T. Stephan and Walter Hood, and that artist Walter Hood has conducted a series of public workshops in conjunction with the AJA Project in City Heights, collecting objects of importance that signify home. He reported that the Arts Master Plan update is underway.

## **LIAISONS**

- **AIRPORT LAND USE COMPATIBILITY PLAN:** None.
- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:** Board Member Cox reported that on June 26, the Supreme Court decided to allow parts of President Trump's Executive Order on Immigration to go into effect, while announcing that the Court would hear arguments in the case in October; that the House Transportation and Infrastructure Committee and the Senate Commerce Committee approved their respective versions of the Federal Aviation Administration (FAA) Reauthorization bills last week; and that while the House bill would transfer functions of the FAA to a new not-for-profit corporation, the four-year Senate bill would maintain these functions with the FAA. He reported that both bills would increase funding for the Airport Improvement Program and streamline the Passenger Facility Charge (PFC) application and approval process. He also reported that neither the House bill nor the Senate bill would alter the current \$4.50 per passenger PFC limit established by Congress in 2000, and that these bills are expected to be considered by the full House and Senate chambers prior to Congress' August recess. He also reported Daniel Elwell was sworn in last week as Deputy Administrator of the FAA.
- **MILITARY AFFAIRS:** None.
- **PORT:** Chairman Boling reported that the Harbor Drive Policy Group met for the first time and another Policy Group meeting would be held in the upcoming months.



- **WORLD TRADE CENTER:** Board Member Gleason reported that an updated 2017 World Trade Center Workplan was distributed to Board Members.

### ***BOARD REPRESENTATIVES (EXTERNAL)***

- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Janney reported Rafael Castellanos was appointed as an ex officio member of the Committee.

**CHAIR'S REPORT:** Chairman Boling reported that Lufthansa announced new direct flights between Frankfurt and San Diego beginning March 2018, operating five-times weekly and connecting to other locations; that the Authority's 2016 Sustainability Report (Report) has been issued highlighting the Authority's activities and accomplishments for the year; and that Report includes the Terminal 2 Parking lot and the SAN's certifications through the Airports Council International (ACI) Airport Carbon Accreditation Program. She stated that it is not clear how the federal travel ban is being implemented; and that airport staff is working with CBP, DHS, industry trades and airport stakeholders to ensure smooth implementation of the Executive Order at SAN.

**PRESIDENT/CEO'S REPORT:** Angela Shafer-Payne, Vice President, Operations, reported that on June 26 the Authority held its tenth community meeting for the Naval Air Station North Island (NASNI) and Airport Land Use Compatibility Plan (ALUCP); and that staff provided an overview of the timeline and an explanation of the revisions that have been made to the draft policy during the working group process, and clarified the role of the Airport Land Use Commission (ALUC) and local agencies. She stated that another community meeting is expected in mid-2018 and that the draft of the Plan would be provided for public review. She reported that construction continues on the Parking Plaza and Federal Inspection Services (FIS); that more than 50 percent of the total columns have been poured; that more than 40 percent of total concrete has been poured for the Terminal 2 Parking Plaza; and that the project is on time and within budget. She reported that construction of the FIS is progressing with all foundation piles completed on the landside portion and that gates 48 and 50 remain closed while foundation pile driving for the airside building addition is underway; and that construction walls are also up around baggage claim 3 as they work to enlarge the carousel for domestic capacity in order to accommodate for the loss of carousels 7 and 8 for international arrivals. She reported that the enlarged baggage claim is scheduled for completion in late August.

**CONSENT AGENDA (Items 1-13):**

**ACTION: Moved by Board Member Gleason and seconded by Board Member Robinson to approve the Consent Agenda. Motion carried by the following vote: YES – Boling, Cox, Gleason, Janney, Kersey, Robinson, Schumacher; NO – None; ABSENT – Desmond, Sessom (Weighted Vote Points: YES – 80; NO – 0; ABSENT – 20).**

- 1. APPROVAL OF MINUTES:**  
RECOMMENDATION: Approve the minutes of the April 24, 2017, special meeting; May 18, 2017, special meeting; and June 1, 2017, regular meeting.
- 2. ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS AND PRE-APPROVAL OF ATTENDANCE AT OTHER MEETINGS NOT COVERED BY THE CURRENT RESOLUTION:**  
RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.
- 3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM MAY 8, 2017 THROUGH JUNE 11, 2017 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM MAY 8, 2017 THROUGH JUNE 11, 2017:**  
RECOMMENDATION: Receive the report.
- 4. JULY 2017 LEGISLATIVE REPORT:**  
RECOMMENDATION: Adopt Resolution No. 2017-0054, approving the July 2017 Legislative Report.
- 5. APPROVE APPOINTMENTS TO THE ART ADVISORY COMMITTEE:**  
RECOMMENDATION: Adopt Resolution No. 2017-0055, approving the appointment of Jennifer Easton and Cris Scorza to the Art Advisory Committee.
- 6. GRANT AN EASEMENT TO SAN DIEGO GAS & ELECTRIC:**  
RECOMMENDATION: Adopt Resolution No. 2017-0056, authorizing the President/CEO to negotiate and execute an easement for utility purposes with San Diego Gas & Electric.

**CLAIMS**

- 7. REJECT THE CLAIM OF FUTURE DB INTERNATIONAL, INC.:**  
RECOMMENDATION: Adopt Resolution No. 2017-0057, rejecting the claim of Future DB International, Inc.

## **COMMITTEE RECOMMENDATIONS**

### **CONTRACTS AND AGREEMENTS**

8. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A REIMBURSABLE AGREEMENT WITH THE DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION ADMINISTRATION (FAA):**  
RECOMMENDATION: Adopt Resolution No. 2017-0058, approving and authorizing the President/CEO to execute a Reimbursable Agreement between the Department of Transportation Federal Aviation Administration (FAA) and the San Diego County Regional Airport Authority, for a reimbursable amount not-to-exceed \$200,000, for Navaid Equipment Relocation and Site Study at San Diego International Airport.
  
9. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH ANDERSON & KREIGER:**  
RECOMMENDATION: Adopt Resolution No. 2017-0059, approving and authorizing the President/CEO to execute a First Amendment to the Agreement with Anderson & Kreiger LLP for Professional Legal Services increasing the compensation amount by \$100,000 for a total not-to-exceed amount of \$200,000.

### **CONTRACTS AND AGREEMENTS AND/OR AMENDMENTS TO CONTRACTS AND AGREEMENTS EXCEEDING \$1 MILLION**

10. **AWARD A CONTRACT TO G&G SPECIALTY CONTRACTORS, INC. FOR QUIETER HOME PROGRAM PHASE 8, GROUP 12, PROJECT NO. 380812 (84 NON-HISTORIC MULTI-FAMILY UNITS ON 7 RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE AIRPORT):**  
RECOMMENDATION: Adopt Resolution No. 2017-0060, awarding a contract to G&G Specialty Contractors, Inc., in the amount of \$1,319,742, for Phase 8, Group 12, Project No. 380812, of the San Diego County Regional Airport Authority's Quieter Home Program.
  
11. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FOURTH AMENDMENT TO THE PEST CONTROL AND REMEDIATION SERVICES AGREEMENT WITH CARTWRIGHT TERMITE & PEST CONTROL, INC.:**  
RECOMMENDATION: Adopt Resolution No. 2017-0061, approving and authorizing the President/CEO to execute a Fourth Amendment to the Pest Control and Remediation Services Agreement with Cartwright Termite & Pest Control, Inc., exercising the Authority's option to extend the Agreement term for the second of two (2) one-year extensions to August 31, 2018, and increasing the amount payable by \$800,000 for a total not-to-exceed compensation amount of \$7,157,776.

**12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN EIGHTH AMENDMENT TO THE ON-CALL SERVICES AGREEMENT WITH RICONDO & ASSOCIATES:**

RECOMMENDATION: Adopt Resolution No. 2017-0062, approving and authorizing the President/CEO to execute an Eighth Amendment to the Agreement with Ricondo & Associates for On-Call Services increasing the compensation amount by \$1,600,000 for a total not-to-exceed amount of \$4,600,000.

**13. AWARD A CONTRACT TO GRANITE CONSTRUCTION COMPANY, FOR CLEAR OBJECT FREE AREA (OFA) TAXIWAY B AT SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2017-0065, awarding a contract to Granite Construction Company, in the amount of \$5,598,909 for Project No. 104129, Clear Object Free Area (OFA) Taxiway B at San Diego International Airport.

**PUBLIC HEARINGS:**

**OLD BUSINESS:**

**NEW BUSINESS (CONTINUED):**

**14. DISCUSSION AND POSSIBLE ACTION REGARDING ARTS PROGRAM POLICY 8.50, SECTION 1(G) GIFTS AND LOANS OF ARTWORK:**

Chris Chalupsky, Senior Manager, Vision, Voice, and Engagement; and Lauren Lockhart, Arts Program Manager, Vision, Voice, & Engagement provided a presentation on the Arts Program Policy 8.50, which included the Arts Program at SAN; Airport Art Master Plan Process and Purpose; Authority Policy 8.50; Authority Policy 8.50 Section 1 (g) Policy Process and Evaluation Criteria Gifts and Loans of Artwork; Public Art Program Survey; Art Advisory Committee; and the Art Master Plan Development Schedule.

In response to Chairman Boling's request to provide an overview of the process for bringing a new item to the Board and how that policy would interact with Policy 8.50, Amy Gonzalez, General Counsel, referred to Policy 1.30, which governs how an item may be put on the agenda and read Policy sections 1.30 (7)(a) and 1.30 (7)(d). Ms. Gonzalez further explained that the Board could add an item to the agenda regarding accepting donations or loaned artwork but the Policy, as written, provides the President/CEO sole discretion to determine whether or not to accept donated or loaned artwork.

Board Member Cox made the motion to amend Authority Policy 8.50 where the CEO/President has exclusive authority, to provide a provision to allow three or more members of the Board to add item(s) to the agenda for further review. Board Member Robinson seconded the motion.

Board Member Gleason stated that the Art Program is the best in class and its success is because politics and influence do not play a role. He stated that the governance piece is an important part of its success. He stated that this would be a dangerous precedence to set and he does not support the motion.

In response to Board Member Robinson's request for confirmation that under the current policy, three Board members could submit a request to the Executive Committee, Ms. Gonzalez stated that a request could be submitted to add an item to the agenda, but under the Art Policy the President/CEO still has the sole discretion to determine whether the Authority accepts loans of artwork. She stated that a Board member could request that an item be added to the agenda but that the Board would have to waive the policy if the President/CEO decided, in their sole discretion, not to accept a loan of artwork.

Board Member Kersey stated that he does not want the Board to become an art review body and that there is currently a path to review items and that we should stick with that path. He suggested adding a space in the Airport where art could be temporarily displayed for flexibility.

Chris Chalupsky, Senior Manager, Vision, Voice, and Engagement, stated that the recommendation is to not change the policy at this time, but as a part of the Art Master Plan, there would be a review of the policy and an opportunity to have discussions if the Board wanted to do something as Board Member Kersey is suggesting with a temporary display area.

In response to Chairman Boling's understanding that a Board Member could bring an item to the Executive Committee for consideration to be placed on the agenda, Ms. Gonzalez stated that is correct and read section 1.30(7)(d), which outlines the intent of the Board and Executive Committee to honor all requests of Board Members to add an item to the agenda and if the request is not honored, the Board member along with two other Members may submit a request in writing to the Executive Committee and the item shall be added to the agenda.

Board Member Janney stated that he would like to have a policy and process in place that is better defined. He stated that he does not feel comfortable putting the Board in a position where the Board would have to waive a policy temporarily to do something.

**RECOMMENDATION:** Staff recommends that no amendments be made to Authority Policy 8.50 at this time.

**ACTION: Moved by Board Member Cox and seconded by Board Member Robinson to amend Authority Policy 8.50, where the President/CEO has exclusive authority, to provide a provision to allow three or more members of the Board to add item(s) to the agenda for further review. Motion failed by the following votes: YES – Cox, Robinson, Janney; NO – Boling, Gleason, Kersey, Schumacher; ABSENT - Desmond, Sessom; (Weighted Vote Points: YES – 28; NO – 52; ABSENT – 20)**

- 15. AWARD A CONTRACT TO GRANITE CONSTRUCTION COMPANY FOR REHABILITATE RUNWAY 9-27 AND REHABILITATE CROSS TAXIWAYS B1, B4-B7, C3, C4 AND C6 AT SAN DIEGO INTERNATIONAL AIRPORT:**  
Iraj Ghaemi, Director, Facilities Development provided a presentation on the Rehabilitation of Runway 9-27 and Cross Taxiways B1, B4 – B7, C3, C4, and C6, which included a Project Overview.

RECOMMENDATION: Adopt Resolution No. 2017-0064, awarding a contract to Granite Construction Company in the amount of \$22,839,002.50 for Project No. 104219, Rehabilitate Runway 9-27 and Project No. 104220, Rehabilitate Cross Taxiways B1, B4-B7, C3, C4 and C6 at San Diego International Airport.

**ACTION: Moved by Board Member Robinson and seconded by Board Member Janney to approve staff's recommendation. Motion carried by the following votes: YES – Boling, Cox, Gleason, Janney, Kersey, Robinson, Schumacher; NO – None; ABSENT – Desmond, Sessom; (Weighted Vote Points: YES – 80; NO – 0; ABSENT – 20).**

- 16. AUTHORIZATION OF BOND DOCUMENTS AND SALE OF UP TO \$400 MILLION AIRPORT REVENUE BONDS, INCLUDING DELEGATION OF PRICING AUTHORITY, TO REFUND A PORTION OF THE AUTHORITY'S OUTSTANDING SUBORDINATE REVOLVING OBLIGATIONS AND TO FUND THE PARKING PLAZA, FIS AND CAPITAL IMPROVEMENT PROGRAM; AUTHORIZATION OF THE \$10 MILLION IRREVOCABLE COMMITMENT OF PASSENGER FACILITY CHARGES IN FY 2018 TO THE PAYMENT OF DEBT SERVICE AND; AUTHORIZATION OF REIMBURSEMENT AGREEMENT:**  
John Dillon, Director, Business and Financial Management provided a presentation on the Subordinate Airport Revenue Bonds Series 2017A (Non-AMT) and Subordinate Airport Revenue Bonds Series 2017B (AMT), which included Debt Profile; Plan of Finance; Projected Debt Profile; Airport Debt Per Enplanement; Historic and Projected Debt Service Coverage; Favorable Current Market Conditions; Principal Documents of the General Airport Revenue Bond (GARB) Sale; and Preliminary Timeline.

RECOMMENDATION: The Finance Committee recommends that the Board adopt Resolution No. 2017-0066, (1) authorizing the issuance and sale of not-to-exceed \$400 million in aggregate principal amount of one or more series of San Diego County Regional Airport Authority Subordinate Airport Revenue Bonds; and (2) approving the forms of a Fifth Supplemental Subordinate Trust Indenture, Preliminary and Final Official Statements, a Purchase Contract, a Continuing Disclosure Certificate, and certain related matters; and

Adopt Resolution No. 2017-0067, authorizing an irrevocable commitment of certain Passenger Facility Charges for the payment of debt service on the Authority's Senior and Subordinate Obligations and certain related matters; and

Adopt Resolution 2017-0068, authorizing the establishment of a method for the San Diego County Regional Airport Authority to make declarations of official intent in order to permit the Authority to reimburse itself and other parties for capital expenditures with proceeds of future taxable or tax-exempt borrowings in accordance with Internal Revenue Service reimbursement regulations.

**ACTION: Moved by Board Member Robinson and seconded by Board Member Kersey to approve staff's recommendation. Motion carried by the following votes: YES – Boling, Cox, Gleason, Janney, Kersey, Robinson, Schumacher; NO – None; ABSENT – Desmond, Sessom; (Weighted Vote Points: YES – 80; NO – 0; ABSENT – 20).**

**18. AUTHORIZE AN AMENDMENT TO THE FEDERAL INSPECTION SERVICES FACILITY AGREEMENT WITH TURNER-PCL, A JOINT VENTURE, ALLOWING THE CONVERSION OF THE BASIS OF PAYMENT OF COSTS INCURRED FOR SUBCONTRACTORS NOT PROCURED COMPETITIVELY FROM TIME AND MATERIALS TO LUMP SUM:**

Bob Bolton, Director, Airport Design & Construction

RECOMMENDATION: Adopt Resolution No. 2017-0063, authorizing an amendment to the Federal Inspection Services Facility agreement with Turner-PCL, a Joint Venture, allowing subcontractors not procured using a competitive process to be paid on a lump sum basis rather than on a time and materials basis.

**ACTION: Moved by Board Member Janney and seconded by Board Member Gleason to approve staff's recommendation. Motion carried by the following votes: YES – Boling, Cox, Gleason, Janney, Kersey, Robinson, Schumacher; NO – None; ABSENT – Desmond, Sessom; (Weighted Vote Points: YES – 80; NO – 0; ABSENT – 20).**

**19. DISCUSSION AND POSSIBLE ACTION REGARDING PUBLIC EMPLOYEE COMPENSATION- GENERAL COUNSEL:**

Chairman Boling reported on May 11 and June 1, 2017, the Executive Personnel and Compensation Committee met with General Counsel to evaluate performance and productivity for FY 2017 and discuss goals for FY 2018, and determined General Counsel has delivered results exceeding performance goals on behalf of the organization.

RECOMMENDATION: Discuss and possibly take action regarding public employee compensation.

**ACTION: Moved by Chairman Boling and seconded by Board Member Cox to adopt Resolution No. 2017-0069, approving a 1% increase to the base wage and a one-time stipend of 4% to the current base salary of the General Counsel. Motion carried by the following votes: YES – Boling, Cox, Gleason, Janney, Kersey, Robinson, Schumacher; NO – None; ABSENT – Desmond, Sessom; (Weighted Vote Points: YES – 80; NO – 0; ABSENT – 20).**

**20. DISCUSSION AND POSSIBLE ACTION REGARDING PUBLIC EMPLOYEE COMPENSATION- CHIEF AUDITOR:**

RECOMMENDATION: Discuss and possibly take action regarding public employee compensation.

**ACTION: No action taken.**

**GENERAL COUNSEL REPORT:** None.

**BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY:**

**BOARD COMMENT:** None.

**ADJOURNMENT:** The meeting was adjourned at 12:19 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 7<sup>th</sup> DAY OF SEPTEMBER, 2017.

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TONY R. RUSSELL  
DIRECTOR, CORPORATE &  
INFORMATION GOVERNANCE /  
AUTHORITY CLERK

APPROVED AS TO FORM:

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AMY GONZALEZ  
GENERAL COUNSEL



## STAFF REPORT

Meeting Date: **SEPTEMBER 7, 2017**

### Subject:

**Acceptance of Board and Committee Members Written Reports on Their Attendance at Approved Meetings and Pre-Approval of Attendance at Other Meetings Not Covered by the Current Resolution**

### Recommendation:

Accept the reports and pre-approve Board Member attendance at other meetings, trainings and events not covered by the current resolution.

### Background/Justification:

Authority Policy 1.10 defines a “day of service” for Board Member compensation and outlines the requirements for Board Member attendance at meetings.

Pursuant to Authority Policy 1.10, Board Members are required to deliver to the Board a written report regarding their participation in meetings for which they are compensated. Their report is to be delivered at the next Board meeting following the specific meeting and/or training attended. The reports (Attachment A) were reviewed pursuant to Authority Policy 1.10 Section 5 (g), which defines a “day of service”. The reports were also reviewed pursuant to Board Resolution No. 2009-0149R, which granted approval of Board Member representation for attending events and meetings.

The attached reports are being presented to comply with the requirements of Policy 1.10 and the Authority Act.

***The Board is also being requested to pre-approve Board Member attendance at meetings of the multi-agency policy group addressing off-airport roadway access.***

### Fiscal Impact:

Board and Committee Member Compensation is included in the FY 2018 Budget.

### Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

- A. This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended. 14 Cal. Code Regs. Section 15378. This Board action is not a "project" subject to CEQA. Pub. Res. Code Section 21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act, Pub. Res. Code Section 30106.

**Application of Inclusionary Policies:**

Not applicable.

**Prepared by:**

TONY R. RUSSELL  
DIRECTOR, CORPORATE & INFORMATION GOVERNANCE/AUTHORITY CLERK

**APRIL BOLING**

SDCRAA  
 AUG 08 2017  
 Corporate & Information Governance

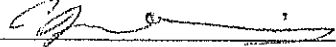
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**Board Member Event/Meeting/Training Report Summary**

Period Covered: July, 2017

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
C. APRIL BOLING		7/31/17
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: July 6, 2017 Time: 9:00 am Location: Airport	ALUC/Board Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: July 12, 2017 Time: 1:00 pm Location: Airport	Airport Sexual Harassment Training
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input checked="" type="checkbox"/> Res.2009-0149R	Date: July 24, 2017 Time: 9:00 am Location: Manchester Grand Hyatt	P3 Airport Summit Conference
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input checked="" type="checkbox"/> Res.2009-0149R	Date: July 25, 2017 Time: 9:00 am Location: Manchester Grand Hyatt	P3 Airport Summit Conference
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: 

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**Board Member Event/Meeting/Training Report Summary**

Corporate &amp; Information Governance

Period Covered: August, 2017

**Directions:** This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
C. APRIL BOLING		8/31/17
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: August 14, 2017 Time: 9:00 am Location: Airport	Port Leadership Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: August 28, 2017 Time: 9:00 am Location: Airport	Exec./Finance Committee Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: August 31, 2017 Time: 9:00 am Location: Airport	Harbor Drive Mobility Policy Group Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: 

**GREG COX**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**Board Member Event/Meeting/Training Report Summary**

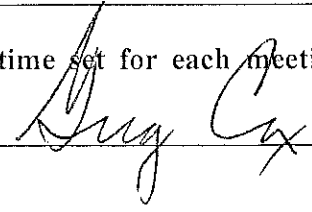
Period Covered: JULY 1-31, 2017

SDCRAA JUL 31 2017 Corporate & Information Governance
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Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
GREG COX		JULY 31, 2017
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: JULY 6, 2017 Time: 9:00a Location: SDIA	SDCRAA BOARD MEETING AIRPORT LAND USE COMMISSION MEETING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: JULY 31, 2017 Time: 9:00am Location: SDIA	SPECIAL CAPITAL IMPROVEMENTS PROGRAM OVERSIGHT COMMITTEE SPECIAL BOARD MEETING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: 

SDCRAA  
AUG 21 2017  
Corporate & Information Governance

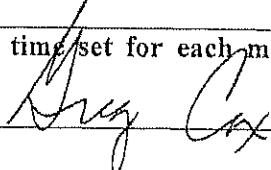
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**Board Member Event/Meeting/Training Report Summary**

Period Covered: AUGUST 1, -31, 2017

**Directions:** This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
GREG COX		AUGUST 21, 2017
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: <u>AUGUST 14, 2017</u> Time: <u>9:00am</u> Location: <u>SDIA</u>	<u>SOUPD/SOCRAA LEADERSHIP MEETING</u>
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: 



**ROBERT GLEASON**

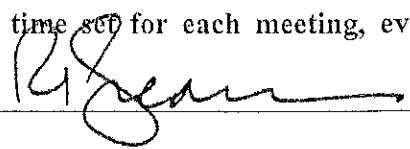
SDCRAA  
 AUG 31 2017  
 Corporate & Information Governance

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**Board Member Event/Meeting/Training Report Summary**  
 Period Covered: JULY/AUGUST 2017

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
ROBERT H. GLEASON		August 30, 2017
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: July 6, 2017 Time: 9:00 am Location: SDCRAA offices	Board / ALUC meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2009-0149R	Date: August 14, 2017 Time: 9:00 am Location: SDCRAA offices	Airport/Port Leadership meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: August 24, 2017 Time: 3:30 pm Location: SDCRAA offices	Art Advisory Committee meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: August 28, 2017 Time: 9:00 am Location: SDCRAA offices	Executive / Finance Committee meeting  Executive Personnel and Compensation Committee meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: 

**JIM JANNEY**

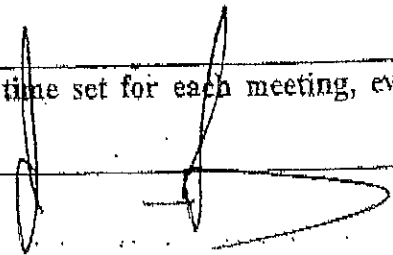
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**Board Member Event/Meeting/Training Report Summary**  
 Period Covered: July & Aug 2017

**Directions:** This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0007. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME (Please Print)		DATE OF THIS REPORT
Jim Janney		8-31-17
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
Brown Act Pre-approved Res. 2009-0149R	Date: 7-6-17 Time: 0900 Location: SDCRAA	Board / ALUC
Brown Act Pre-approved Res. 2009-0149R	Date: 7-21-17 Time: 0900 Location: SANDAG	Transportation Center
Brown Act Pre-approved Res. 2009-0149R	Date: 7-31-17 Time: 0900 Location: SDCRAA	CIPD
Brown Act Pre-approved Res. 2009-0149R	Date: 8-28-17 Time: 0900 Location: SDCRAA	Exec. & Finance
Brown Act Pre-approved Res. 2009-0149R	Date: 8-30-17 Time: 3 pm Location: Coronado	ALUCP working group
Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: \_\_\_\_\_



**MARK KERSEY**

SDCRAA  
 JUL 31 2017  
 Corporate & Information Governance

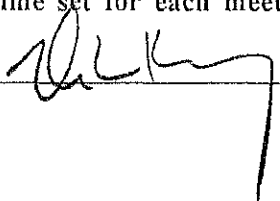
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
 Board Member Event/Meeting/Training Report Summary**

Period Covered: July 2017

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
Mark Kersey		7/31/17
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: July 6, 2017 Time: 9:00 am Location: 3225 N Harbor Drive	Board Meeting/ALUC
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: July 31, 2017 Time: 9:00 am Location: 3225 N Harbor Drive	CIP Oversight Committee
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: 

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
Board Member Event/Meeting/Training Report Summary**

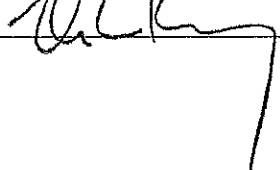
Period Covered: August 2017

SDCRAA AUG 29 2017 Corporate & Information Governance
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Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
Mark Kersey		8/29/17
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: August 28, 2017 Time: 9:30 am Location: 3225 N Harbor Dr.	EXECUTIVE Special Compensation Personnel and Oversight Committee Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: 

**PAUL ROBINSON**



**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
Board Member Event/Meeting/Training Report Summary**


Period Covered: 7/31/17

SDCRAA JUL 31 2017 Corporate & Information Governance
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Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
PAUL ROBINSON		7-31-17
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: <u>7/6/17</u> Time: <u>9:00 - 12:30 p.m.</u> Location: <u>SDCRAA Bd Rm</u>	<u>SDCRAA Bd HLUC Meetings</u>
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: <u>7/31/17</u> Time: <u>9:00 - 10:30 a.m.</u> Location: <u>SDCRAA Bd Trm</u>	<u>SDCRAA Bd Trm</u>
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: 

SDCRAA  
 AUG 28 2017  
 Corporate & Information Governance

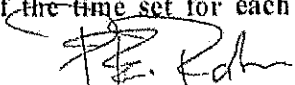
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**Board Member Event/Meeting/Training Report Summary**

Period Covered: 8/31/17

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
PAUL ROBINSON		8-28-17
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: <u>8/14/17</u> Time: <u>9:00a.m - 10:30a.m</u> Location: <u>Tuskegee Rm.</u>	<u>Mtg w/ Port Commissioners</u>
<input checked="" type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: <u>8/28/17</u> Time: <u>9:00 - 11:30a.m.</u> Location: <u>San Diego Admin Bldg.</u>	<u>SDCRAA Exec. Finance Comm mtgs            Exec Personnel &amp; Comp. Comm. mtg.            Mtg. w/ Outside Auditor</u>
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: 

**M. SCHUMACHER**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
Board Member Event/Meeting/Training Report Summary**

Period Covered: July 1st - July 31st 2017

SDCRAA JUL 31 2017 Corporate & Information Governance
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**Directions:** This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
Michael Schumacher		7/31/17
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: July 6, 2017 Time: 9:00 am Location: SDCRAA Office	Board Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: Michael Schumacher Digitally signed by Michael Schumacher  
Date: 2017.03.29 08:32:08 -07'00'

**MARY SESSOM**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**Board Member Event/Meeting/Training Report Summary**  
 Period Covered: JULY - 2017

**Directions:** This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
MARY SESSOM		8-1-17
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 7-6-17 Time: 9:00 AM Location: SDCRAA	BOARD / ALUC MEETINGS
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 7-19-17 Time: 4:00 PM Location: SDCRAA - TRUSTON RD.	ANAL SUBCOMMITTEE Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: Mary Sessom

## **STAFF REPORT**

Meeting Date: **SEPTEMBER 7, 2017**

### **Subject:**

**Awarded Contracts, Approved Change Orders from June 12, 2017 through August 13, 2017 and Real Property Agreements Granted and Accepted from June 12, 2017 through August 13, 2017**

### **Recommendation:**

Receive the Report:

### **Background/Justification:**

Policy Section Nos. 5.01, Procurement of Services, Consulting, Materials, and Equipment, 5.02, Procurement of Contracts for Public Works, and 6.01, Leasing Policy, require staff to provide a list of contracts, change orders, and real property agreements that were awarded and approved by the President/CEO or her designee. Staff has compiled a list of all contracts, change orders (Attachment A) and real property agreements (Attachment B) that were awarded, granted, accepted, or approved by the President/CEO or her designee since the previous Board meeting.

### **Fiscal Impact:**

The fiscal impact of these contracts and change orders are reflected in the individual program budget for the execution year and on the next fiscal year budget submission. Amount to vary depending upon the following factors:

1. Contracts issued on a multi-year basis; and
2. Contracts issued on a Not-to-Exceed basis.
3. General fiscal impact of lease agreements reflects market conditions.

The fiscal impact of each reported real property agreement is identified for consideration on Attachment B.

### **Authority Strategies:**

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Application of Inclusionary Policies:**

Inclusionary Policy requirements were included during the solicitation process prior to the contract award.

**Prepared by:**

JANA VARGAS  
DIRECTOR, PROCUREMENT



**Attachment "A"**

**AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN June 12, 2017 - August 13, 2017**

**New Contracts**

<b>Date Signed</b>	<b>CIP #</b>	<b>Company</b>	<b>Description</b>	<b>Solicitation Method</b>	<b>Owner</b>	<b>Contract Value</b>	<b>End Date</b>
6/20/2017		Airport & Aviation Professional Inc.	The Contractor will provide technical advisory services for Airlines operating at San Diego International Airport. The Airlines requested the assignment of Airport & Aviation Professionals, Inc., (AvAirPros) for advisory services on expedited projects including the Federal Inspection Services Project, CIP Airline Relocations and other related projects. Services provided by AvAirPros is a key component of the timely progression of critical projects and any delays of these services jeopardizes project timelines and creates the potential for costly changes. Contracting with AvAirPros is the only practical way to respond to overriding circumstances.	Sole Source	Business & Financial Management	\$550,000.00	5/14/2020
6/26/2017		Lighting Messenger Express	The Contractor will provide U.S. Mail pick-up and delivery services for San Diego County Regional Airport Authority.	Informal RFP	Corporate & Information Governance	\$48,000.00	6/30/2020
6/26/2017		Cision US Inc.	The Contractor will provide media monitoring services for San Diego International Airport.	Informal RFP	Vision, Voice & Engagement	\$14,000.00	6/30/2018
7/3/2017		Heidi Halsey	The Contractor will provide on-call professional consulting services in matters pertaining to the business development function at San Diego County Regional Airport Authority. Heidi Halsey is uniquely qualified to serve in this capacity as she was the Director of Business Development for two year for the Authority and she intimately understands the organization's strategies, opportunities, challenges and procedures.	Sole Source	Information Technology	\$300,000.00	5/29/2020
7/10/2017		Vector Resources, Inc. dba VectorUSA	The Contractor is one of three pre-qualified and approved to bid on-call IT Server Services at San Diego County Regional Airport Authority. The contract value reflects the total not to exceed cost for the entire pool of contractors for this service.	RFQ	Information Technology	\$300,000.00	7/4/2020
7/10/2017		ePlus Technology, Inc.	The Contractor is one of three pre-qualified and approved to bid on-call IT Server Services at San Diego County Regional Airport Authority. The contract value reflects the total not to exceed cost for the entire pool of contractors for this service.	RFQ	Information Technology	\$300,000.00	7/4/2020
7/12/2017		CPR1, LLC	The Contractor will service and maintain the automated external defibrillators ("AEDs") located throughout the San Diego International Airport.	RFP	Aviation Security & Public Safety	\$100,000.00	6/30/2020

**Attachment "A"**

**AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN June 12, 2017 - August 13, 2017**

7/19/2017		Nth Generation Computing, Inc.	The Contractor will provide security penetration services for the Authority's parking systems cardholder data environment in accordance with the Payment Card Industry requirements and standards.	Informal RFP	Information Technology	\$31,500.00	7/16/2019
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**New Contracts**

<b>Date Signed</b>	<b>CIP #</b>	<b>Company</b>	<b>Description</b>	<b>Solicitation Method</b>	<b>Owner</b>	<b>Contract Value</b>	<b>End Date</b>
6/5/2017		United Storm Water, Inc.	The Contractor will provide storm water conveyance system cleaning services for San Diego International Airport.	RFP	Facilities Management	\$980,000.00	6/30/2020
7/24/2017		Leidos Engineering, LLC	The Contractor will provide engineering services needed to support the Automated Infrastructure Monitoring and Management Systems ("AIMMS") at San Diego International Airport. Leidos initially installed the system which gives them intimate knowledge of the system, the level of service and support, experience and delivery required to provide exactly what is needed for this type of service.	Sole Source	Facilities Management	\$225,274.94	7/16/2018
8/4/2017		A&D Fire Sprinklers, Inc.	The Contractor will provide services to inspect, test, maintain, and provide on-call repairs on the Airport's Fire Protection Systems at San Diego International Airport.	RFP	Facilities Management	\$980,000.00	7/31/2020
8/7/2017		Root, Inc.	The Contractor will provide strategic planning consulting services to support the launch and implementation of the Authority's strategic plan and Learning Map visuals at San Diego County Regional Airport Authority. Root, Inc. was selected based on their expertise and licensed proprietary trademarked work contained in the Vision, Financial and Customer Maps, as well as the Decision Making matrix for the San Diego County Regional Airport Authority.	Sole Source	Talent, Culture & Learning	\$150,000.00	7/31/2018

**Attachment "A"**

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN June 12, 2017 - August 13, 2017

**New Contracts Approved by the Board**

<b>Date Signed</b>	<b>CIP #</b>	<b>Company</b>	<b>Description</b>	<b>Solicitation Method</b>	<b>Owner</b>	<b>Contract Value</b>	<b>End Date</b>
7/13/2017	380812	G&G Specialty Contractors , Inc.	The contract was approved by the Board at the July 6, 2017 Board Meeting. The Contractor will complete the Quieter Home Program Phase 8 Group 12 project which entails sound attenuation improvements for certain residences around San Diego International Airport.	RFB	Quieter Home Program	\$1,319,742.00	9/20/2018

**Attachment "A"**

**AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN June 12, 2017 - August 13, 2017**

**Amendments and Change Orders**

Date Signed	CIP #	Company	Description of Change	Owner	Previous Contract Amount	Change Order Value (+ / -)	Change Order Value ( % ) (+ / - )	New Contract Value	New End Date
7/13/2017		UniFirst Co	The First Amendment revises Exhibit A and Exhibit B to reflect changes requested by the Ground Transportation Department to their uniform maintenance and laundering services at San Diego County Regional Airport. There is no increase in compensation.	Ground Transportation	\$500,000.00	\$0.00	0%	\$500,000.00	11/13/2019
7/14/2017		HSS, Inc.	The First Amendment revises the hourly rate compensation in Exhibit B and increases the total amount payable by \$760,000 to reflect the increase in minimum wage requirements for Security Officer Services at San Diego International Airport.	Aviation Security & Law Enforcement	\$19,000,000.00	\$760,000.00	4%	\$19,760,000.00	10/16/2018
8/4/2017		Boot World, Inc.	The First Amendment extends the term of the contract by ninety days to allow for the safety shoe service solicitation process to be completed. There is no increase in compensation.	Risk Management	\$90,000.00	\$0.00	0%	\$90,000.00	10/29/2017

**AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN June 12, 2017- August 13, 2017**

**Amendments and Change Orders Approved by the Board**

Date Signed	CIP #	Company	Description of Change	Owner	Previous Contract Amount	Change Order Value (+ / -)	Change Order Value ( % ) (+ / - )	New Contract Value	New End Date
8/1/2017		Cartwright	The Fourth Amendment was approved by the Board on July 6, 2017. The Fourth Amendment extends the term of the contract by one year and increases the total amount payable by \$80,000 to ensure continuity and continued progress in controlling pest population at San Diego International Airport.	Environmental Affairs	\$6,357,776.00	\$800,000.00	13%	\$7,157,776.00	8/31/2018

## Attachment "B"

## REAL PROPERTY AGREEMENTS EXECUTED FROM JUNE 12, 2017 through AUGUST 13, 2017



### Real Property Agreements

Begin/End Dates	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
7.14.17 to 6.30.18	LE-0887	Apple, Inc	Right of Entry Permit	Terminals	Survey the Airport for enabling indoor position	N/A	N/A	N/A



### Real Property Agreement Amendments and Assignments

Effective Date	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
8.1.17	LE-0869	Federal Express	Use & Occupancy Permit	North side cargo area	Cargo operations	517,127	\$169,677.24 per month	2nd Amendment extended the term
7.11.17	LE-0660	New Zoom, Inc.	Third Amendment to Concession Lease Package 6	San Diego International Airport	Operation of an Automated Retail Concession	N/A	The greater of the Minimum Annual Guarantee or 10% of Gross Receipts	Amendment to reflect close-out and as-built conditions of the Concession Premises as described in "Exhibit A", clarify definitions of "Unamortized Investment" and "Capital Investment", reflect the end date of Lease and clarify the mid-term refurbishment period.

## **STAFF REPORT**

Meeting Date: **SEPTEMBER 7, 2017**

### **Subject:**

**September 2017 Legislative Report**

### **Recommendation:**

Adopt Resolution No. 2017-0070, approving the September 2017 Legislative Report.

### **Background/Justification:**

The Authority's Legislative Advocacy Program Policy requires that staff present the Board with monthly reports concerning the status of legislation with potential impact to the Authority. The Authority Board provides direction to staff on legislative issues by adoption of a monthly Legislative Report (Attachment A). The September 2017 Legislative Report updates Board members on legislative activities that have taken place since the previous Board meeting. In directing staff, the Authority Board may take a position on pending or proposed legislation that has been determined to have a potential impact on the Authority's operations and functions.

### **State Legislative Action**

The Authority's legislative team does not recommend that the Board adopt any new positions on state legislation.

On July 13th, AB 805 (Gonzalez Fletcher), legislation opposed by the Airport Authority, was amended in the State Senate. The revised bill deletes the requirement that the chair of the County Board of Supervisors serve on the San Diego Association of Governments (SANDAG) board and reduces the proposed terms of the SANDAG and Metropolitan Transit System (MTS) board chairs from four to two years. The amended bill would also require that SANDAG, MTS, and the North County Transit District require contractors and subcontractors performing construction projects over \$1 million to use a skilled and trained workforce to perform all work unless the agency has entered into a project labor agreement for the project.

The State Legislature reconvened on August 21st and has until September 15th to pass legislation this session.

### **Federal Legislative Action**

The Authority's legislative team recommends that the Board adopt a SUPPORT position on S. 1655, the "Fiscal Year 2018 Transportation and Housing and Development Appropriations Bill" (Collins) and adopt a WATCH position on S. 1757, the "Building America's Trust Act" (Cornyn).

S. 1655 would provide annual funding for federal transportation programs, including Federal Aviation Administration activities and programs. The bill would increase the Passenger Facility Charge limit from the current level of \$4.50 to a new level of \$8.50 for

originating passengers. S. 1655 would also increase annual Airport Improvement Program funding by \$250 million to a new level of \$3.6 billion.

S. 1757 would require the Department of Customs and Border Protection (CBP) to have at least 27,725 officers – 5,000 more than today – staffing ports-of-entry by September 30, 2021. This would fulfill the staffing level called for in CBP’s current workforce staffing model. In addition, S. 1757 would streamline the CBP hiring process for military veterans and law enforcement personnel and require CBP to deploy a biometric entry system at fifteen airports within eighteen months and at all airports within five years.

Following the July 31st swearing in of Department of Homeland Security (DHS) Secretary John Kelly as the new White House Chief of Staff, Elaine Duke assumed the position of acting DHS Secretary.

On August 10th, David Pekoske was sworn in as Administrator of the Transportation Security Administration and Robert Sumwalt III was sworn in as Chairman of the National Transportation Safety Board.

Congress is scheduled to reconvene following its summer recess on September 5th.

**Fiscal Impact:**

Not applicable.

**Authority Strategies:**

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy
- Customer Strategy
- Employee Strategy
- Financial Strategy
- Operations Strategy

**Environmental Review:**

A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act (“CEQA”), as amended. 14 Cal. Code Regs. §15378. This Board action is not a “project” subject to CEQA. Cal. Pub. Res. Code §21065.

B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Application of Inclusionary Policies:**

Not applicable.

**Prepared by:**

MICHAEL KULIS  
DIRECTOR, INTER-GOVERNMENTAL RELATIONS

RESOLUTION NO. 2017-0070

A RESOLUTION OF THE BOARD OF THE SAN DIEGO  
COUNTY REGIONAL AIRPORT AUTHORITY APPROVING  
THE SEPTEMBER 2017 LEGISLATIVE REPORT

WHEREAS, the San Diego County Regional Airport Authority (“Authority”) operates San Diego International Airport and plans for necessary improvements to the regional air transportation system in San Diego County, including serving as the responsible agency for airport land use planning within the County; and

WHEREAS, the Authority has a responsibility to promote public policies consistent with the Authority’s mandates and objectives; and

WHEREAS, Authority staff works locally and coordinates with legislative advocates in Sacramento and Washington, D.C. to identify and pursue legislative opportunities in defense and support of initiatives and programs of interest to the Authority; and

WHEREAS, under the Authority’s Legislative Advocacy Program Policy, the Authority Board provides direction to Authority staff on pending legislation; and

WHEREAS, the Authority Board, in directing staff, may adopt positions on legislation that has been determined to have a potential impact on the Authority’s operations and functions.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the September 2017 Legislative Report (“Attachment A”); and

BE IT FURTHER RESOLVED that the Board FINDS that this action is not a “project” as defined by the California Environmental Quality Act (“CEQA”) (Cal. Pub. Res. Code § 21065); and is not a “development” as defined by the California Coastal Act (Cal. Pub. Res. Code § 30106).



PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 7<sup>th</sup> day of September, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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TONY RUSSELL  
DIRECTOR, CORPORATE  
& INFORMATION GOVERNANCE/  
AUTHORITY CLERK

APPROVED AS TO FORM:

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AMY GONZALEZ  
GENERAL COUNSEL

## September 2017 Legislative Report

### Local Legislation

#### Legislation/Topic

#### **City of San Diego Drone Ordinance**

#### Background/Summary

The purpose of this proposed ordinance is to address the potential hazard of unmanned aircraft systems (UAS), commonly referred to as drones, to other aircraft in flight, persons on the ground, and critical infrastructure. Specifically, this proposed ordinance codifies on a local level regulations similar to those of the Federal Aviation Administration. This ordinance makes it unlawful within the City of San Diego to operate a UAS in the air, on the ground or on the water:

- In a careless or reckless manner that endangers the life or property of another
- In violation of any flight restriction, temporary or permanent, issued by the Federal Aviation Administration (FAA)
- In violation of any restriction issued by the FAA applicable to UAS; or
- In a manner that interferes with law enforcement, firefighting, or any government emergency operations

Violations of this ordinance may be prosecuted as misdemeanors.

#### Anticipated Impact/Discussion

This ordinance could benefit San Diego International Airport (SDIA) by providing local law enforcement officials with the enforcement authority to deter unsafe UAS operations within the City of San Diego.

**Status:** 4/10/17 – Unanimously passed by City Council

**Position:** Support (4/21/16)

*\*Shaded text represents new or updated legislative information*

## State Legislation

### New Assembly Bills

There are no new Assembly Bills to report.

### Assembly Bills from Previous Report

#### Legislation/Topic

#### **AB 1 (Frazier) – Transportation Funding**

#### Background/Summary

AB 1 would create the Road Maintenance and Rehabilitation Program and a corresponding account in the State Transportation Fund to address deferred maintenance on state highways and local roadways. Revenues for this new program would be generated from increases in motor vehicle fuel sales and excise taxes and increases in vehicle registration fees, including a new \$165 annual fee for zero-emission motor vehicles. The increases in sales and excise taxes would be adjusted for inflation every three years based on the California Consumer Price Index. This bill would also create an independent Office of the Transportation Inspector General to ensure that all state agencies expending transportation funds operate efficiently and comply with federal and state laws. In addition, AB 1 would expand the list of projects eligible for funding under the Trade Corridors Improvement Fund to include freight access improvements to airports.

#### Anticipated Impact/Discussion

Although this bill would not directly impact San Diego International Airport (SDIA), its passage could provide additional funding opportunities for highway and roadway improvements in close proximity to SDIA.

**Status:** 12/5/16 – Introduced in Assembly and Referred to Assembly Committee on Transportation and Assembly Committee on Natural Resources.

**Position:** Watch (1/5/17)

#### Legislation/Topic

#### **AB 5 (Gonzalez) – Employers: Opportunity to Work Act**

#### Background/Summary

AB 5 would create the Opportunity to Work Act, requiring an employer with 10 or more employees to offer additional hours of work to an existing nonexempt employee before the employer hires an additional employee or subcontractor, except as specified. Employers would not be required to offer an employee additional work hours if it would require the employer to pay overtime compensation. AB 5 also would require an employer to post a notice of employee rights, and would require the employer to maintain certain employment documentation. The bill would authorize an employee to

*\*Shaded text represents new or updated legislative information*

file a complaint for violation of these provisions, and/or bring a civil action for remedies under the act.

**Anticipated Impact/Discussion**

Because all Airport Authority employees are hired as full-time employees, and this bill would not require employers to offer additional hours if it would result in overtime pay, AB 5 would have no practical effect on the Authority.

**Status:** 4/20/17 – Passed in Assembly Committee on Labor and Employment on a vote of 5 to 2 and Re-referred to Assembly Committee on Appropriations

**Position:** Watch (2/2/17)

**Legislation/Topic**

**AB 92 (Bonta) – Public contracts: payment**

**Background/Summary**

Under current law, public entities are authorized to withhold retention proceeds in excess of five percent for projects considered substantially complex. This authority is set to expire on January 1, 2018. AB 92 would extend this authority for five years, establishing a new expiration date of January 1, 2023.

**Anticipated Impact/Discussion**

This bill will continue the Airport Authority’s ability to withhold retention proceeds in excess of five percent for substantially complex projects should it choose to do so.

**Status:** 7/10/17 – Signed into law by the Governor and Chaptered

**Position:** Watch (2/2/17)

**Legislation/Topic**

**AB 218 (Bonta) – Local Agencies: airports: customer facility charges**

**Background/Summary**

Current law specifies that the authorization for an airport to impose a customer facility charge (CFC) becomes inoperative when the bonds used for financing a vehicle rental facility are paid off. This bill, until January 1, 2023, would delete the requirement that the authorization for an airport to impose a customer facility charge become inoperative when the bonds are retired. AB 218 would also allow per contract CFCs to be assessed at a level less than the current \$10 per contract fee and would prohibit the collection of more than one CFC in connection with a single vehicle rental.

*\*Shaded text represents new or updated legislative information*

### **Anticipated Impact/Discussion**

This legislation was introduced to allow Oakland International Airport to impose CFCs without having to incur debt for a rental car facility. However, AB 218 would also allow all other California airports to require the collection of CFCs regardless of whether or not bonds used to finance the construction of a rental car center or improvements to a rental car center are retired.

**Status:** 7/10/17 – Ordered to Third Reading in Senate

**Position:** Support (3/2/17)

### **Legislation/Topic**

**AB 302 (Gipson) – South Coast Air Quality Management District: fleets**

### **Background/Summary**

AB 302 would authorize the governing board of the South Coast Air Quality Management District (SCAQMD) to adopt rules and regulations that require specified operators of public and commercial fleet vehicles consisting of one or more vehicles to purchase zero emission and near-zero emission vehicles, and further require that those zero-emission and near-zero emission vehicles to be operated to the fullest extent possible in the south coast district.

### **Anticipated Impact/Discussion**

San Diego International Airport (SDIA), is not within the jurisdiction of the SCAQMD, therefore this bill would not directly impact our operations. However, the Authority's legislative team is concerned that if enacted, AB 302 could create difficult and costly requirements for fleet operators because there are no zero or near-zero emission versions for some airport off-road equipment.

**Status:** 5/8/17 – Re-referred to Assembly Committee on Transportation

**Position:** Watch (6/1/17)

### **Legislation/Topic**

**AB 483 (Bocanegra) – Airports: pollution**

### **Background/Summary**

AB 483, would require that the following actions be taken at certain noncommercial general aviation airports located within California Environmental Protection Agency designated disadvantaged communities:

- The Department of Toxic Substances Control (DTSC) will conduct soil sample testing to determine the presence of hazardous waste

*\*Shaded text represents new or updated legislative information*

- The DTSC will coordinate with the State Water Resources Control Board and other appropriate local agencies to determine if an airport poses a threat to the groundwater basin based on the soil testing results
- The DTSC will report testing findings to the Legislature and post the report on the department's website.
- The Air Resources Board (ARB), in coordination with local districts will require airports to test the air quality to determine the airport's impact on air pollution and climate policy targets
- Airports are also required to collect their air quality testing data in real time and submit a quarterly report to ARB and the appropriate district.
- ARB and the local districts will compile the air quality testing data in an annual public report that details the public health impacts of the pollutants

**Anticipated Impact/Discussion**

Although this bill would not directly impact San Diego International Airport (SDIA), its passage would create an unfunded mandate for certain general aviation airports to test air quality impacts, and require the State to conduct soil testing at these airports. Staff plans to monitor this bill to ensure that this mandate is not expanded to commercial airports.

**Status:** 4/4/17 – Passed by Assembly Committee on Natural Resources on a vote of 7 to 1 and Re-referred to Assembly Committee on Environmental Safety and Toxic Materials

**Position:** Watch (5/4/17)

**Legislation/Topic**

**AB 496 (Fong) – Transportation Funding**

**Background/Summary**

AB 496 would create the Traffic Relief and Road Improvement Program and a corresponding account in the State Transportation Fund to provide funding for the maintenance and rehabilitation of state highways and local roadways.

**Anticipated Impact/Discussion**

Although this bill would not directly impact San Diego International Airport (SDIA), its passage could provide additional funding opportunities for highway and roadway improvements in close proximity to SDIA.

**Status:** 3/1/17 – Amended and re-referred to Assembly Committee on Transportation

**Position:** Watch (4/6/17)

*\*Shaded text represents new or updated legislative information*

**Legislation/Topic**  
**AB 805 (Gonzalez Fletcher)**

**Background/Summary**

AB 805 would alter the governance structures of the San Diego Association of Governments (SANDAG), the Metropolitan Transit System (MTS), and the North County Transit District (NCTD). Specific changes would affect board membership and leadership, and board voting processes for these agencies. In addition, this bill would create a five-member SANDAG audit committee and require new SANDAG reporting and planning actions. AB 805 would also authorize MTS and NCTD to impose transactions and use taxes and authorize the issuance of bonds backed by those tax revenues to fund transportation projects within their respective jurisdictions.

**Anticipated Impact/Discussion**

The Authority Board adopted an Oppose Unless Amended position on AB 805, indicating that this bill would adversely impact other regional transportation agencies, such as the Airport Authority, in addition to the bill's impact to SANDAG, MTS, and NCTD governance and operations. The Board expressed its desire for the following two changes to this bill: 1) that the current voting procedures for SANDAG, MTS, and NCTD remain the same; and 2) that the boards of SANDAG, MTS, and NCTD retain the authority to select their own board chairs.

**Status:** 7/13/17 – Amended, passed by Senate Transportation and Housing Committee on a vote of 9 to 3 and Referred to Senate Committee on Appropriations

**Position:** Oppose Unless Amended (6/1/17)

**Legislation/Topic**  
**AB 1069 (Low) – Local Government: taxicab transportation services**

**Background/Summary**

AB 1069 would authorize changes to be implemented by local governments in their regulation of taxicab transportation services. Specific changes include:

- Repeals existing law requiring both cities and counties to regulate taxicab transportation services and instead only require counties to regulate these services
- Authorizes a county to enter into an agreement with the most populated city in a county that regulates taxicabs to perform the taxicab-related responsibilities of the county
- Requires a county to provide that taxicab drivers pass a criminal background check using a live scan fingerprint provider
- Prohibits a county from limiting or prohibiting a licensed taxicab transportation service from setting rates or fares or charging a flat rate

*\*Shaded text represents new or updated legislative information*

- Requires a county to ensure that any charge imposed on a taxicab transportation service does not exceed the reasonable regulatory cost of administering and enforcing a taxicab program established by the county
- Authorizes a licensed taxicab company to use any device or technology approved by the state to calculate fares
- Requires a licensed taxicab company to disclose fares, fees, or rates to customers before the customer accepts a ride and to post rates for walkup rides and street hails in the vehicle
- Requires a city or county to issue inspection stickers to compliant taxicabs and issue a photo permit to taxicab drivers
- Authorizes a county to accept a taxi permit issued by another county as valid
- Prohibits the operation of a taxicab without a valid certificate, license, or permit

**Anticipated Impact/Discussion**

Following the Board’s adoption of a Support If Amended position on AB 1069, Authority staff was successful in adding language to this bill clarifying that airport operators shall have ultimate authority to regulate and set access fees for taxicab operations at the airport. Staff will continue to monitor this bill and coordinate with the author on any additional changes needed to protect the airport’s authority.

**Status:** 7/12/17 – Passed by Senate Committee on Transportation and Housing on a vote of 11-0 and Referred to Senate Committee on Appropriations

**Position:** Support if Amended (5/4/17)

**Legislation/Topic**

**AB 1286 (Friedman) – Airports: alternative customer facility charges**

**Background/Summary**

AB 1286 would eliminate the current requirement that airports interested in collecting an alternative (daily) customer facility charge initiate a process to obtain collection authority by January 1, 2018 and extends that deadline to January 1, 2025.

**Anticipated Impact/Discussion**

This bill would not impact San Diego International Airport (SDIA) as the Airport Authority has already commenced the collection of the alternative (daily) customer facility charge (CFCs).

**Status:** 7/10/17 – Ordered to Third reading in Senate

**Position:** Watch (4/6/17)

*\*Shaded text represents new or updated legislative information*



**Legislation/Topic**

**AB 1333 (Dababneh) – Political Reform Act of 1974: local government agency notices**

**Background/Summary**

AB 1333 would require every local government agency that maintains an internet web site to prominently post on its site, a notice of any upcoming election in which voters will vote on a tax measure or proposed bond issuance of the agency. The bill would also require every local government agency that publishes an electronic newsletter to include such notices in their electronic newsletter.

**Anticipated Impact/Discussion**

This bill would not directly impact San Diego International Airport (SDIA), as the Airport Authority issues revenue bonds that do not require voter approval.

**Status:** 4/20/17 – Passed in Assembly Committee on Appropriations by a vote of 6 to 2 and Re-referred to the Committee on Appropriations

**Position:** Watch (4/6/17)

**Legislation/Topic**

**AB 1581 (Oberholte) – Charter-party carriers: transportation of passengers for compensation**

**Background/Summary**

AB 1581 is a placeholder (spot bill) that would make changes to the Passenger Charter-party Carriers' Act.

**Anticipated Impact/Discussion**

The Authority's legislative team will closely monitor the development of this bill language for any potential impact to San Diego International Airport (SDIA).

**Status:** 2/17/17 – Introduced in Assembly

**Position:** Watch (4/6/17)

*\*Shaded text represents new or updated legislative information*

## **New Senate Bills**

There are no new Senate bills to report.

## **Senate Bills from Previous Report**

### **Legislation/Topic**

#### **SB 1 (Beall) – Transportation Funding**

### **Background/Summary**

SB 1 creates the Road Maintenance and Rehabilitation Program and a corresponding account in the State Transportation Fund to address deferred maintenance on state highways and local roadways. Revenues for this new program will be generated from increases in motor vehicle fuel sales and excise taxes and increases in vehicle registration fees, including a new \$100 annual fee for zero-emission motor vehicles. The increases in sales and excise taxes will be adjusted for inflation every three years based on the California Consumer Price Index. This bill also creates an independent Office of the Transportation Inspector General to ensure that all state agencies expending transportation funds operate efficiently and comply with federal and state laws. In addition, SB 1 expands the list of projects eligible for funding under the Trade Corridors Improvement Fund to include freight access improvements to airports.

### **Anticipated Impact/Discussion**

Although this bill will not directly impact San Diego International Airport (SDIA), its enactment may provide additional funding opportunities for highway and roadway improvements in close proximity to SDIA.

**Status:** 4/28/17 – Signed into law by the Governor and Chaptered

**Position:** Watch (1/5/17)

### **Legislation/Topic**

#### **SB 4 (Mendoza) – Goods Movement and Clean Trucks Bond Act**

### **Background/Summary**

Although this bill was originally related to transportation, it was significantly amended and is now related to health care.

### **Anticipated Impact/Discussion**

As amended, AB 4 is no longer relevant to San Diego International Airport or the Airport Authority.

**Status:** 7/17/17 – Amended and Ordered to Third Reading in Assembly

**Position:** Watch (1/5/17)

*\*Shaded text represents new or updated legislative information*

**Legislation/Topic**

**SB 21 (Hill) – Law Enforcement Agencies: surveillance: policies**

**Background/Summary**

SB 21 would require that beginning July 1, 2018, public agencies must submit to their governing bodies at a public meeting, a proposed plan for the use of each type of surveillance technology used and type of information collected for law enforcement purposes.

**Anticipated Impact/Discussion**

The Authority's legislative team will closely work with the Authority's security staff to identify any potential impact to San Diego International Airport.

**Status:** 7/11/17 – Passed by Assembly Committee on Privacy and Consumer Protection on a vote of 6 to 3 and Referred to Assembly Committee on Appropriations

**Position:** Watch (5/4/17)

**Legislation/Topic**

**SB 31 (Lara) – California Religious Freedom Act: state agencies: disclosure of religious affiliation information**

**Background/Summary**

Current law prohibits a state agency from including a question regarding an applicant's race, sex, marital status, or religion in any application form for employment. This bill

would prohibit a state or local agency or a public employee acting under color of law from providing or disclosing to the federal government personally identifiable information regarding a person's religious beliefs, practices, or affiliation, as specified, when the information is sought for compiling a database of individuals based on religious belief, practice or affiliation, national origin, or ethnicity for law enforcement or immigration purposes.

**Anticipated Impact/Discussion**

SB 31 would not directly impact San Diego International Airport (SDIA), as the Authority's Talent, Culture and Capability department does not currently share these categories of protected information with external agencies.

**Status:** 6/13/17 – Passed by Assembly Committee on the Judiciary on a vote of 11 to 0 and Referred to Assembly Committee on Appropriations

**Position:** Watch (3/2/17)

*\*Shaded text represents new or updated legislative information*

**Legislation/Topic**  
**SB 54 (De Leon) – Law enforcement: sharing data**

**Background/Summary**

Current law provides that when there is reason to believe that a person arrested for a violation of specified controlled substance provisions may not be a citizen of the United States, the arresting agency shall notify the appropriate agency of the United States having charge of deportation matters. This bill would repeal those provisions. This bill would also prohibit state and local law enforcement officials from detaining individuals for suspected immigration violations.

**Anticipated Impact/Discussion**

Although this bill would not directly impact San Diego International Airport (SDIA), its passage could impact the operations of Harbor Police or other law enforcement agencies operating at SDIA.

**Status:** 7/6/17 – Passed by Assembly Committee on the Judiciary on a vote of 8 to 3 and Referred to the Assembly Committee on Appropriations

**Position:** Watch (3/2/17)

**Legislation/Topic**  
**SB 450 (Hertzberg) – Public Bodies: bonds: public notice**

**Background/Summary**

SB 450 would require that prior to authorizing the issuance of bonds with terms greater than 13 months, the governing bodies of public agencies must hold a public meeting to disclose specified information. The bill would require that the information be obtained as a good faith estimate from an underwriter, financial advisor, private lender or third party borrower.

**Anticipated Impact/Discussion**

The Authority Board holds public meetings disclosing information about authorized bond issuances. Prior to the recent amendments to the bill, its passage could have created a requirement that the Authority Board disclose information that is not known prior to authorized bonds reaching the market.

**Status:** 7/12/17 – Passed by Assembly Committee on Local Government on a vote of 9 to 0 and Referred to Assembly Committee on Appropriations

**Position:** Watch (4/6/17)

*\*Shaded text represents new or updated legislative information*

**Legislation/Topic**  
**SB 686 (Wilk) – Public Contracts: claim resolution**

**Background/Summary**

SB 686 would require that a public entity conduct a “meet and confer” conference within 30 days of receipt of demand from a claimant for resolution of a dispute related to public works projects.

**Anticipated Impact/Discussion**

This bill isn't expected to have an impact on San Diego International Airport's (SDIA) prevailing wage processes. Implementation of progress payment withholding for non-compliance, is performed per established regulations. Because SDIA is not a certified compliance agency, unresolved contractors claims are forwarded to the Department of Labor Standards Enforcement who will impose applicable fines and penalties specific to the violation(s).

**Status:** 3/9/17 –Referred to Senate Committee on Judiciary

**Position:** Watch (4/6/17)

**Legislation/Topic**  
**SB 775 (Wieckowski) – California Global Warming Solutions Act of 2006:  
greenhouse gas emissions reduction**

**Background/Summary**

SB 775 would add local agencies to the list of entities that the State Air Resources Board has to consult with in order to identify the most effective strategies and methods to reduce greenhouse gases, manage greenhouse gas control programs, and facilitate the development of integrated and cost-effective regional, national, and international greenhouse gas reduction programs.

**Anticipated Impact/Discussion**

Although this bill would not directly impact San Diego International Airport (SDIA), its passage could provide additional opportunities for SDIA to play a greater role in shaping regional, national and international environmental policy.

**Status:** 3/9/17 – Referred to Senate Committee on Environmental Quality

**Position:** Watch (4/6/17)

*\*Shaded text represents new or updated legislative information*

## **Federal Legislation**

### **New House Bills**

There are no new House bills to report.

### **House Bills from Previous Report**

#### **Legislation/Topic**

#### **H.R. 598 (Lynch) – Airplane Impacts Mitigation Act of 2017**

#### **Background/Summary**

H.R. 598, the “Airplane Impacts Mitigation Act of 2017”, would require the Federal Aviation Administration (FAA) to enter into an agreement with an eligible institution of higher education to conduct a study of the health impacts of airplane flights on residents exposed to a range of noise and air pollution levels from flights. The study is directed to:

- Focus on residents in Boston, Chicago, New York, the northern California Metroplex, Phoenix, and not more than three additional metropolitan areas each containing an international airport.
- Consider the health impacts on residents living partly, or entirely within the land underneath the flight paths most frequently used by aircraft flying below 10,000 feet.
- Consider only the health impacts that manifest during the physical implementation of the NextGen program on flights departing from or arriving to an international airport located in one of the designated metropolitan areas.

#### **Anticipated Impact/Discussion**

Although this bill is not expected to directly impact operations at San Diego International Airport (SDIA), the information collected by the study may be useful in helping the Authority accurately describe any environmental and health impacts of the FAA’s recently implemented NextGen program.

**Status:** 1/20/17 – Introduced in the House and referred to the House Committee on Transportation and Infrastructure

**Position:** Support (3/2/17)

#### **Legislation/Topic**

#### **H.R. 665 (Keating) – Airport Perimeter and Access Control Security Act of 2017**

#### **Background/Summary**

H.R. 665, the “Airport Perimeter and Access Control Security Act of 2017,” would direct the Transportation Security Administration (TSA) to update:

- The Transportation Sector Security Risk Assessment for the aviation sector

*\*Shaded text represents new or updated legislative information*

- The Comprehensive Risk Assessment of Perimeter and Access Control Security for airports (as well as conduct a system-wide assessment of airport access control points and airport perimeter security)
- The 2012 National Strategy for Airport Perimeter and Access Control Security

### **Anticipated Impact/Discussion**

Although this bill is not expected to impact operations at San Diego International Airport (SDIA), the updating of assessments by the TSA may lead to the future implementation of new security requirements. The Authority’s legislative team will identify any unfunded mandates resulting from these proposed actions.

**Status:** 2/1/17 – Referred to the Senate Committee on Commerce, Science and Transportation

**Position:** Watch (3/2/17)

### **Legislation/Topic**

**H.R. 678 (McSally) – Department of Homeland Security Support to Fusion Centers Act of 2017**

### **Background/Summary**

Fusion centers were created to promote information sharing at the federal level between agencies such as the Central Intelligence Agency, the U.S. Department of Justice, the U.S. military and state and local governments. H.R. 678, the “Department of Homeland Security Support to Fusion Centers Act of 2017” would:

- Direct the Comptroller General to conduct an assessment of Department of Homeland Security (DHS) personnel assigned to fusion centers
- Direct the Under Secretary of Intelligence and Analysis of the Department of Homeland Security to provide eligibility for access to information classified as Top Secret for analysts at fusion centers, and submit a report to the Committee on Homeland Security, Permanent House Select Committee on Intelligence, Committee on Homeland Security and Government Affairs and Senate Select Committee on Intelligence
- Direct the Chief Information officer of the Department of Homeland Security to conduct an assessment of information systems used to share homeland security information between fusion centers and the Department.

### **Anticipated Impact/Discussion**

Although this bill is not expected to impact operations at San Diego International Airport (SDIA), it will be monitored closely for any potential impact to Department of Homeland Security or Customs and Border Protection procedures.

*\*Shaded text represents new or updated legislative information*

**Status:** 1/31/17 – Passed by the House on a voice vote  
2/1/17 – Referred to Senate Committee on Homeland Security and  
Governmental Affairs

**Position:** Watch (3/2/17)

**Legislation/Topic**

**H.R. 1265 (DeFazio) – Investing in America: Rebuilding America’s Airport  
Infrastructure Act**

**Background/Summary**

H.R. 1265, the “Investing in America: Rebuilding America’s Airport Infrastructure Act”, would provide airports the Authority to establish a passenger facility charge (PFC) of their choosing by eliminating the current \$4.50 Congressionally-set PFC limit. This bill would also reduce Airport Improvement Program (AIP) funding by \$400 million annually and eliminate large hub airports’ entitlement to AIP grants if those airports collect PFCs greater than \$4.50.

**Anticipated Impact/Discussion**

H.R. 1265 would provide the Airport Authority with the ability to establish a PFC based on San Diego International Airport funding needs rather than relying on the current PFC limit of \$4.50 per passenger established by Congress in 2000.

**Status:** 3/2/17 – Referred to House Committee on Transportation and Infrastructure

**Position:** Support (4/6/17)

**Legislation/Topic**

**H.R. 2800 (DeFazio) – Aviation Funding Stability Act**

**Background/Summary**

This legislation would take the Airport and Airway Trust Fund off budget in an effort to protect Trust Fund revenue from sequestration and potential budget cuts. This bill would also require the Federal Aviation Administration (FAA) to develop a streamlined procurement system for the acquisition of NextGen technology and update its personnel management system. In addition, H.R. 2800 would elevate the role of the Management Advisory Council and authorize funds to rebuild and modernize U.S. air traffic control facilities.

**Anticipated Impact/Discussion**

Enactment of H.R. 2800 might benefit the Airport Authority by insulating the Airport and Airway Trust fund from potential reductions in funding for FAA-related operations. In addition, this legislation could expedite the modernization of the national air traffic control system.

*\*Shaded text represents new or updated legislative information*



**Status:** 6/7/17 – Introduced and Referred to the House Committees on Transportation and Infrastructure, Armed Services, the Budget, and Appropriations

**Position:** Watch (7/6/17)

**Legislation/Topic**

**H.R. 2997 (Shuster)** – 21st Century Aviation Innovation, Reform, & Reauthorization Act

**Background/Summary**

This legislation would authorize FAA operations and related programs for the next six years. Specifically, this bill would:

- Transfer air traffic control functions from the FAA to a new not-for-profit corporation
- Include one airport representative to serve on the 13-member board of directors for the new ATC corporation
- Increase annual Airport Improvement Program (AIP) funding to a level of \$3.8 billion in Fiscal Year 2023
- Retain the current \$4.50 Passenger Facility Charge (PFC) cap
- Streamline and expedite the PFC reporting and review process
- Eliminate the PFC significant contribution test for large and medium hub airports

**Anticipated Impact/Discussion**

Although San Diego International Airport (SDIA) might potentially benefit from the AIP increases included in H.R. 2997, this bill does not include any adjustment to the current \$4.50 PFC limit established by Congress in 2000. As a result, this legislation would essentially maintain the status quo for the financing of airport infrastructure projects instead of providing new funding opportunities for SDIA improvement projects. In addition, this bill does not include any provision that could position SDIA to compete for nonstop service to Ronald Reagan Washington National Airport.

**Status:** 6/21/17 – Introduced and Referred to the House Committee on Transportation and Infrastructure

**Position:** Oppose Unless Amended (7/6/17)

*\*Shaded text represents new or updated legislative information*

## **New Senate Bills**

### **S.1655 (Collins) – Fiscal Year 2018 Transportation and Housing and Development Appropriations Act**

#### **Background/Summary**

This bill would provide annual funding for federal transportation programs including Federal Aviation Administration activities and programs. The bill would increase the Passenger Facility Charge (PFC) limit from the current level of \$4.50 to a new level of \$8.50 for origination passengers. This bill would also increase Airport Improvement Program funding by \$250 million to a new level of \$3.6 billion in FY 2018.

#### **Anticipated Impact/Discussion**

Passage of an annual spending bill would provide airports certainty concerning the annual funding levels for FAA and its programs. While the proposed increase in the AIP could result in some additional revenue to the Airport Authority, the proposed \$4 increase in the PFC limit could result in a significant increase in revenue for San Diego International Airport improvement projects, including funding for the Airport Development Program.

**Status:** 7/27/17 – Approved by Senate Committee on Appropriations on a vote of 31 to 0

**Position:** Support

### **S.1757 (Cornyn) – Building America’s Trust Act**

#### **Background/Summary**

S. 1757 would authorize approximately \$15 billion over four years for border security and enforcement activities. Specific actions include:

- Requires the deployment of multi-layered tactical infrastructure across the southern U.S. border which, at the Secretary of DHS’s discretion, could include a wall system, fencing. Levees, technology, or other physical barriers
- Increases the number of Border Patrol agents, Customs and Border Protection (CBP) Officers at ports, agricultural inspectors, Immigration and Customs Enforcement officers, immigration judges and federal prosecutors
- Streamline the CBP hiring process for military veterans and law enforcement personnel
- Requires CBP to deploy a biometric entry system at fifteen U.S. airports within 18 months and at all U.S. airports within five years

#### **Anticipated Impact/Discussion**

While several provisions in S. 1757 could provide additional CBP staffing resources at CBP’s San Diego port, some elements of this bill may be considered by community

*\*Shaded text represents new or updated legislative information*

leaders to be a deterrent to the cross-border trade and tourism that currently benefits the regional economy.

**Status:** 8/3/17 – Introduced in the Senate

**Position:** Watch

### **Senate Bills from Previous Report**

#### **Legislation/Topic**

**S. 271 (Fischer) – Build USA Infrastructure Act**

#### **Background/Summary**

S. 271, the “Build USA Infrastructure Act” would divert \$21.4 billion annually in Customs and Border Protection (CBP) passenger and freight user fees to the Highway Trust Fund. This funding would be diverted for a five-year period, beginning October 1, 2020.

#### **Anticipated Impact/Discussion**

Airports Council International – North America (ACI-NA) strongly opposes this bill. User fees should be applied for their intended use, not diverted to subsidize other programs, especially as CBP continues to face significant staffing shortfalls and technological challenges. As San Diego International Airport (SDIA) continues to expand international air service, this bill could have a negative impact on CBP’s ability to effectively process international passengers.

**Status:** 2/1/17 – Introduced and Referred to Senate Committee on Homeland Security and Governmental Affairs

**Position:** Oppose (3/2/17)

#### **Legislation/Topic**

**S. 1405 (Thune) – Federal Aviation Administration Reauthorization Act of 2017**

#### **Background/Summary**

This legislation would authorize FAA operations and related programs for the next four years. Specifically, this bill would:

- Increase annual Airport Improvement Program (AIP) funding to a level of \$3.75 billion in Fiscal Years 2019-2021
- Retain the current \$4.50 Passenger Facility Charge (PFC) cap
- Streamline and expedite the PFC reporting and review process
- Eliminate the PFC significant contribution test for large and medium hub airports
- Require the Department of Transportation to hire an independent organization to conduct a study on upgrading and restoring the nation’s airport infrastructure

*\*Shaded text represents new or updated legislative information*

### **Anticipated Impact/Discussion**

Although San Diego International Airport (SDIA) might potentially benefit from the AIP increases included in S. 1405, this bill does not include any adjustment to the current \$4.50 PFC limit established by Congress in 2000. As a result, this legislation would essentially maintain the status quo for the financing of airport infrastructure projects instead of providing new funding opportunities for SDIA improvement projects. In addition, this bill does not include any provision that could position SDIA to compete for nonstop service to Ronald Reagan Washington National Airport.

**Status:** 6/29/17 – Approved by Senate Committee on Commerce, Science and Transportation by voice vote

**Position:** Oppose Unless Amended (7/6/17)

### **Legislation/Topic**

**(Van Hollen) – Customers Not Cargo Act**

### **Background/Summary**

This proposed legislation would prohibit airlines from forcibly removing passengers after they have already boarded the plane due to overbooking or airline staff seeking to fly as passengers.

### **Anticipated Impact/Discussion**

This bill is not expected to directly impact operations at San Diego International Airport (SDIA).

**Status:** 4/12/17 – Introduced in Senate

**Position:** Watch (5/4/17)

*\*Shaded text represents new or updated legislative information*

## **STAFF REPORT**

Meeting Date: **SEPTEMBER 7, 2017**

### **Subject:**

#### **Appointment of Authority Advisory Committee Members**

### **Recommendation:**

Adopt Resolution No. 2017-0071, approving appointments to the Authority Advisory Committee.

### **Background/Justification:**

The Authority's Advisory Committee was established to facilitate input from community stakeholders and subject matter experts regarding Authority planning and development activities. The 18-member Committee is governed by the provisions of Authority Policy 1.21. While the Board is responsible for approving the appointments all members of the Committee, nominations are received from various sources as follows:

(Seats 1 – 6) The President/CEO shall nominate individuals to fill seats representing each of the following categories:

- (1) airport management;
- (2) passenger and freight air transportation operations and economics;
- (3) general aviation;
- (4) the natural environment;
- (5) local government; and
- (6) the campuses of the University of California and the California State Universities in the region.

(Seats 7 – 14) The Presidents of the organizations listed below may each nominate one individual. As shown below, in some cases, the nominating organization rotates among different organizations at the conclusion of each two year term.

- (7) San Diego Regional Economic Development Corporation
- (8) Rotation among:
  - a. San Diego North Economic Development Council
  - b. East County Economic Development Council
  - c. South County Economic Development Council
- (9) San Diego Regional Chamber of Commerce
- (10) Rotation among:
  - a. CleanTECH San Diego
  - b. BIOCUM
  - c. CONNECT
- (11) Metropolitan Transit System
- (12) North County Transit District
- (13) San Diego County Taxpayers Association

## (14) San Diego Convention and Visitors Bureau

(Seat 15) The District Director of the California Department of Transportation for the San Diego Region or his/her designee serves in this seat.

(Seat 16) The representative of the United States Department of Defense currently serving on the Board or his/her designee serves in this seat.

(Seats 17 – 18) Two seats are reserved for members of the general public. Whenever a vacancy occurs in one of these seats, a notice is issued by the Authority. The Chief Auditor and Vice President of Development, jointly review and nominate individuals to serve in these two seats.

NOMINATIONS TO FILL OPEN SEATS

The terms of 10 Advisory Committee members expire on October 7, 2017.

Nominations have been received for each of the 10 seats with terms commencing on October 8, 2017. Under Policy 1.21, terms of Advisory Committee appointments are two years. The name and biographical information of each nominee, category represented by the nominee, and the source of the nomination are listed below.

Seat 2: JIM PANKNIN (reappointment) – James “Jim” Panknin has worked in aviation-related activities for over 25 years. He is a graduate of the University of Southern California with a bachelor’s in aerospace engineering. He also obtained an MBA from UCSD’s Rady School of Management. A veteran of the United States Marine Corps, Mr. Panknin flew helicopters and turboprop aircraft at airports all over the world. He currently serves as a founder and officer of Premier Air Group at Gillespie Field, a family of companies that provide flight training, aircraft management, and aircraft charter. He previously served as chief pilot for Schubach Aviation in Carlsbad and before that Jimsair Aviation in San Diego. Mr. Panknin served as a board member of the San Diego County Regional Airport Authority from 2006-2013 and is a resident of Santee, CA. (Category: Passenger and Freight Air Transportation Operations and Economics; Nominated by: Kimberly J. Becker, President/CEO, San Diego County Regional Airport Authority)

Seat 3: PETER DRINKWATER (reappointment) – Peter Drinkwater is the Airports Director for the County of San Diego and is responsible for the management of all eight County of San Diego airports. He served in the U.S. armed forces as both an enlisted member and officer before retiring as a lieutenant colonel. Mr. Drinkwater received a master’s degree in public/business administration and a bachelor’s degree in industrial psychology/management and is also a licensed pilot. (Category: General Aviation; Nominated by: Kimberly J. Becker, President/CEO, San Diego County Regional Airport Authority)

Seat 4: DR. EMILY YOUNG (reappointment) – Dr. Young serves as Vice President of Community Impact at The San Diego Foundation, working with donors, nonprofits, volunteers and other community partners to direct charitable giving to the region’s critical needs through initiatives to help all San Diegans work, enjoy, live and learn in a vibrant region. Dr. Young first joined The Foundation to start its Environment Program, focused on three areas: protecting and connecting an interconnected network of our region’s

natural lands, community-based efforts to ensure clean air and water and revitalize neighborhood green space, and regional efforts to address climate change by reducing carbon pollution and preparing for changes that are coming. Before joining The Foundation, Dr. Young was an assistant professor at the University of Arizona, where she taught courses on environment and society, geography and Latin America. She has also volunteered and served on boards for a variety of environmental organizations and advisory committees. Dr. Young was awarded the 2011 Nicholas P. Bollman Award, which recognizes Smart Growth Leaders Who Inspire through Values and Actions. (Category: The Natural Environment; Nominated by: Kimberly J. Becker, President/CEO, San Diego County Regional Airport Authority)

Seat 5: DEANNA SPEHN (reappointment) – Ms. Spehn is the Senior Policy Director for California State Senator Toni Atkins, who represents the 39th Senate District. She is responsible for legislation and serves as liaison to local jurisdictions on issues such as the environment, airports, municipal governments, transportation, water and economic development. Among other previous positions, she served as Policy Director for nine years for State Senator Christine Kehoe; as President of Public Policy Strategies, a division of Tom Shepard & Associates; as a Senior Policy Analyst for Mayor Susan Golding; and as a Consultant to the San Diego City Council Committee on Rules, Finance and Intergovernmental Relations. (Category: Local Government; Nominated by: Kimberly J. Becker, President/CEO, San Diego County Regional Airport Authority)

Seat 6: GINA JACOBS (appointment) – Ms. Jacobs is the Interim Chief of Staff in the Office of the President of San Diego State University (SDSU). She serves on the President's Cabinet, is the primary liaison for the President with the Provost, Vice Presidents and other members of the university community and represents the President on and off campus. Before joining SDSU in October 2016 as Director of Media Relations/Interim Chief Communications Officer, Gina implemented communication and media strategy for San Diego City Councilman Mark Kersey and San Diego Gas and Electric. Prior to that, she served six years as Media Relations Manager at SDSU. She has extensive background in media relations, crisis communications and social media and has served as the university spokesperson. Gina graduated from San Diego State University with a bachelor's degree in journalism and a master's degree in mass communication and media studies. (Category: The campuses of the University of California and the California State Universities in the region; Nominated by: Sally Rousch, Interim President, San Diego State University)

Seat 8: MIKE CULLY (appointment) - Mike Cully, an experienced business leader and San Diego native, is the Chief Executive Officer for the San Diego North Economic Development Council. He was appointed to this role in January of 2017. Cully has leadership experience in both the public and private sectors. He was recently part of the global leadership team for car2go N.A., a division of Daimler AG. Prior to his work in the private sector, Cully served as President and CEO of both the San Diego East County and the Visalia, CA Chambers of Commerce. He received his undergraduate degree from the University of Pacific in Stockton, CA and his MBA from San Diego State University in 2011. Cully's experience includes more than a decade of work as an on-air television reporter/anchor; serving as Public Relations lead for Kaiser Permanente in California's Central Valley and leading the Marketing team for the Fresno County Workforce Investment Board. Mike currently serves on the Executive Board of the

SDSU Alumni Association, Cleantech San Diego and the San Diego Regional EDC. In the past he was active on the boards of the East County EDC; the Salvation Army Board; the Communities Against Substance Abuse Board; the Mission Bay Rowing Association Board; the East County Visitor's Bureau Advisory Board and served as Vice Chairman of the Southern California Association of Chamber Executives. Previously he served on the Authority Advisory Committee from 2011 – 2013. (Category: Regional Economic Development; Nominated by: Mike Cully, Chief Executive Officer, San Diego North Economic Development Council)

Seat 10: JASON ANDERSON (appointment) – As President and CEO of Cleantech San Diego, Jason manages the overall organization and leads several initiatives critical to the mission of the organization, including Smart Cities San Diego, advocacy efforts, and economic development programs. Jason is also Executive Director of the Cleantech Education Foundation, designed to develop education and workforce development programs aligned with the mission of Cleantech San Diego. Before joining Cleantech San Diego in 2010, Jason was Vice President of Business Development for the San Diego Regional Economic Development Corporation (EDC). Prior to joining EDC in 2006, Jason lived in Austin, Texas, where he worked in the State Capitol as Legislative Director for Texas State Senator Frank Madla. Jason holds a degree in Corporate Communications from the University of Texas in Austin and is a 2008 graduate of LEAD San Diego. He is a member of the City of San Diego's Sustainable Energy Advisory Board, the County of San Diego's Comprehensive Renewable Energy Plan Technical Advisory Committee, and the SXSW Eco Startup Showcase Advisory Board. Jason is also a board member of Equality California, the nation's largest statewide lesbian, gay, bisexual, and transgender civil rights organization. (Category: Business, Including the Technology Sector of the Economy; Nominated by: Jason Anderson, President/CEO, Cleantech San Diego)

Seat 12: DAMON BLYTHE (appointment) – Mr. Blythe serves as the Deputy Chief of Transit Operations Planning for North County Transit District. He joined NCTD in 2012 as a Quality Control Supervisor – Rail Operations, and was promoted to Deputy Chief of Transit Operations Planning in July 2016. For 15 years prior to joining NCTD, Mr. Blythe worked for the Utah Transit Authority as a project administrator, rail service and operations planner, rail service operations supervisor, and light rail operator. He has served for six years on APTA's Multimodal Operations Planning Subcommittee and was formerly the Committee Chair. Mr. Blythe holds a bachelor of science in business management. Mr. Blythe resides in Oceanside with his wife and three children. (Category: North County Transit District; Nominated by: Matthew Tucker, Executive Director, North County Transit District)

Seat 17: FREDERICK LADT (reappointment) – Mr. Ladts has 20 years of CEO experience in companies with domestic and international customers. In addition to his years as a CEO, he currently runs a family owned consulting firm specializing in business management, occupational safety and risk management. Mr. Ladts earned a Bachelors in Science from Georgia Tech in chemical engineering and a Masters in Business Administration from Vanderbilt. He has also served as a member and secretary of the Barkley Regional Airport Board in Paducah, Kentucky. (Category: Other Groups and Residents of San Diego County; Nominated by: Mark Burchyett, Chief Auditor; and Jeffrey Woodson, Vice President, Development, San Diego County Regional Airport Authority)



Seat 18: ROBERT ORR M.D. (reappointment) – Dr. Orr is a practicing physician with multiple offices in San Diego County. He is chief of cardiovascular diseases at an area hospital. He has developed several community programs around the country and gives lectures in the community to promote cardiovascular health. In addition to his professional responsibilities, he is a pilot with a lifelong interest in aviation. (Category: Other Groups and Residents of San Diego County; Nominated by: Mark Burchyett, Chief Auditor; and Jeffrey Woodson, Vice President, Development, San Diego County Regional Airport Authority)

Staff recommends that the board appoint each of the individuals listed above.

**Fiscal Impact:**

Not applicable.

**Authority Strategies:**

This item supports one or more of the Authority Strategies, as follows:

Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.

B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Application of Inclusionary Policies:**

Not applicable.

**Prepared by:**

MATTHEW HARRIS  
SENIOR DIRECTOR, ASSETS & ALLIANCES

RESOLUTION NO. 2017-0071

A RESOLUTION OF THE BOARD OF THE SAN DIEGO  
COUNTY REGIONAL AIRPORT AUTHORITY APPROVING  
APPOINTMENTS TO THE AUTHORITY ADVISORY  
COMMITTEE

WHEREAS, California Public Utilities Code §170054 requires the establishment of an advisory committee (“Advisory Committee”) to assist the San Diego County Regional Airport Authority (“Authority”) in performing its responsibilities related to the planning and development of all airport facilities for the County of San Diego; and

WHEREAS, the Board of the Authority desires to have timely and qualitative input from a diverse community in the planning and development of airport facilities; and

WHEREAS, pursuant to Authority policy 1.21, nominations for seats on the Advisory Committee are received from various sources; and

WHEREAS, the terms of ten (10) Advisory Committee seats expire on October 7, 2017, and nominations for the appointments and reappointments to those seats were received; and

WHEREAS, Board desires to appoint to the Advisory Committee individuals whose nominations were received pursuant to Authority Policy 1.21.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the appointments to the Authority Advisory Committee (“Attachment A”); and

BE IT FURTHER RESOLVED that the Board finds that this action is not a “project” as defined by the California Environmental Quality Act (“CEQA”) (California Public Resources Code § 21065); and is not a “development” as defined by the California Coastal Act (California Public Resources Code §30106).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 7<sup>th</sup> day of September, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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TONY RUSSELL  
DIRECTOR, CORPORATE  
& INFORMATION GOVERNANCE/  
AUTHORITY CLERK

APPROVED AS TO FORM:

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AMY GONZALEZ  
GENERAL COUNSEL

**ATTACHMENT A**

<b>San Diego County Regional Airport Authority</b>			Approved Res. No.
<b>ADVISORY COMMITTEE MEMBERS</b>			
<b>Name</b>	<b>Seat</b>	<b>Appointed</b>	<b>Term Ends</b>
<b>AIRPORT MANAGEMENT</b>			
Oris Dunham	1	10/08/16	10/07/18
<b>PASSENGER AND FREIGHT AIR TRANSPORTATION OPERATIONS AND ECONOMICS</b>			
Jim Panknin	2	10/08/17	10/07/19
<b>GENERAL AVIATION</b>			
Peter Drinkwater	3	10/08/17	10/07/19
<b>THE NATURAL ENVIRONMENT</b>			
Emily Young	4	10/08/17	10/07/19
<b>LOCAL GOVERNMENT</b>			
Deanna Spehn	5	10/08/17	10/07/19
<b>THE CAMPUSES OF THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITIES</b>			
Gina Jacobs	6	10/08/17	10/07/19
<b>REGIONAL ECONOMIC DEVELOPMENT</b>			
Sean Barr	7	10/08/16	10/07/18
Mike Cully	8	10/08/17	10/07/19
<b>BUSINESS, INCLUDING THE RECHNOLOGY SECTOR OF THE ECONOMY</b>			
Jerry Sanders	9	10/08/16	10/07/18
Jason Anderson	10	10/08/17	10/07/19
<b>LOCAL PUBLIC TRANSIT AUTHORITIES</b>			
Harry Mathis	11	10/08/16	10/07/18
Damon Blythe	12	10/08/17	10/07/19
<b>THE DEPARTMENT OF TRANSPORTATION</b>			
Open Position	15	10/08/16	10/07/18
<b>THE UNITED STATES DEPARTMENT OF DEFENSE</b>			
Col. Carl Huenefeld II (Ret.)	16	10/08/16	10/07/18
<b>OTHER GROUPS AND RESIDENTS OF SAN DIEGO COUNTY</b>			
Haney Hong	13	10/08/16	10/07/18
Joe Terzi	14	10/08/16	10/07/18
Frederick Ladit	17	10/08/17	10/07/19
Robert Orr, M.D.	18	10/08/17	10/07/19

## **STAFF REPORT**

Meeting Date: **SEPTEMBER 7, 2017**

### **Subject:**

**Approve Amendments to the Amended and Restated San Diego County Regional Airport Authority Retirement Plan and Trust of 2013**

### **Recommendation:**

Adopt Resolution No. 2017-0072, approving Amendment No. 4 to the Amended and Restated Retirement Plan and Trust of 2013;

Adopt Resolution No. 2017-0073, approving Amendment No. 5 to the Amended and Restated Retirement Plan and Trust of 2013

### **Background/Justification:**

For the benefit of the employees of the Authority and their beneficiaries, on January 1, 2003, the Board of the San Diego County Regional Airport Authority ("Authority") adopted the San Diego City Employees' Retirement System Retirement Plan ("Plan") for Airport Authority Employees, said Plan having been previously amended or restated in 2004, [Resolution 2004-0039], in 2007 [Resolution 2007-0082], in 2008 [Resolution 2008-0078], in 2012 [Resolution 2012-0069], in 2013 [Resolution 2013-0072R], in 2014 [Resolution 2014-0095], in 2015 [Resolution 2015-0090] and 2016 [Resolution No. 2016-0024].

The Plan is a qualified governmental pension plan under § 401(a) and § 414(d) of the Internal Revenue Code of 1986, as amended. The Plan is administered by the San Diego City Employees' Retirement System ("SDCERS") pursuant to the terms of the San Diego City Employees' Retirement System Participation and Administration Agreement ("P & A Agreement") approved by the Board in 2007 [Resolution 2007-0054].

SDCERS administers the Plan under a group trust as set forth in the Declaration of Trust approved by the Board in 2007 [Resolution 2007-0054] pursuant to IRS Code § 401(a)(24) and in accordance with IRS Revenue Ruling 81-100, as revised by Revenue Ruling 2004-67. Pursuant to the P & A Agreement, San Diego Municipal Code §24.1806 and the provisions of the group trust, the Plan is treated as a separate retirement plan with a separate trust, separate from the plans of the City of San Diego and the San Diego Unified Port District. However, the assets of the three plans are commingled for investment purposes only.

**2014 - Amendment No. 1 to Plan (§§ 0800-0803)**. In 2014 at the request of SDCERS, the Authority amended § 0800 and added §§ 0801 - § 0803 to the Plan to resolve questions raised by the Internal Revenue Service ("IRS") regarding how employee contributions are "offset" and "picked-up" by the Authority.

**2015 – Amendment No. 2 to Plan.** In 2015, the Plan was amended to correct an inadvertent error made when the plan documents were amended in 2004 relating to the definition used to calculate Final Compensation.

**2016 - Amendment No. 3 to Plan.** In 2015, SDCERS recommended that § 0802 be amended to address the concerns of the internal auditor. The amendment reflects the current and past practice of SDCERS regarding offsets and pick-ups and clarifies in the Plan that all three contributions are subject to the Plan's offset provisions and the pick-up provisions provided for in IRS Code § 414(h)(2) and Plan § 0204.

**Proposed Plan Amendment No. 4:** Section 0103 of the Plan provides that “A Full-time Employee must participate in this Plan as a condition of employment.” Rule 3.30 of the SDCERS Rules of the Board of Administration prohibits overlapping service credit under more than one SDCERS-administered retirement plan at one time. Section 0400(f) of the Plan provides that “Notwithstanding any other provision herein, service reflecting any specific period of employment may only be used to calculate benefits under one SDCERS-administered plan.” SDCERS’ General Counsel recommends an amendment to clarify any possible ambiguity in regard to these Sections and Rules. Staff recommends amending § 0103 of the Plan as set forth in Exhibit A to this staff report.

**Proposed Plan Amendment No. 5:** Section 0300 of the Plan provides the eligibility for and calculation of a service retirement benefit. In the 2008 Restated Plan, § 0300(f) explained when a 90% cap on a Member’s Final Average Salary is required and when it is not required. The 90% cap should not be applied when a Member selects the retirement factors in effect on December 31, 2001 or January 1, 2002. (See the Plan as of 2008, § 0300(f)(2) referencing § 0300(d)(1)&(2), attached as Exhibit B). However, when the Plan was amended and restated in 2013 to add PEPRA provisions (i.e., state law mandated changes), a subpart was added to § 0300 and subsection (d) became subsection (e) but the cross-reference was never updated in new subsection (h). (See 2013 Plan attached as Exhibit C). Staff recommends that the Plan should be amended to correct this administrative error as set forth in Exhibit D to this staff report.

**Fiscal Impact:**

Not applicable.

**Authority Strategies:**

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy   
 Customer Strategy   
 Employee Strategy   
 Financial Strategy   
 Operations Strategy

**Environmental Review:**

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Application of Inclusionary Policies:**

Not applicable.

**Prepared by:**

AMY GONZALEZ  
GENERAL COUNSEL

AMENDMENT 4 TO THE PLAN

**DIVISION 1: CREATION OF PLAN AND TRUST AND DEFINITIONS**

**§0103 Participation**

~~A Full-time employee must participate in this Plan as a condition of employment. A Part-time Employee is not eligible to participate in this Plan. A Full-time Employee who is not receiving Service Credit or benefits under another SDCERS-administered retirement plan, and is not contributing to another SDCERS-administered retirement plan, must participate in this Plan as a condition of employment. However, a Full-time Employee who is receiving Service Credit or benefits under another SDCERS-administered retirement plan, and/or is contributing to another SDCERS-administered retirement plan, may not participate in this Plan.~~ The Airport Authority may hire a retired City, UPD, or Airport Authority employee if the requirements of §0103.5 are met, but the employee is not eligible to participate in this Plan as a member while the employee is receiving retirement benefits from this Plan. The Airport Authority, in its sole discretion, will determine whether any person is a Full-time Employee or a Part-time Employee. This determination will be conclusive and binding for all purposes under this Plan.



**EXHIBIT B TO STAFF REPORT**

**AMENDED AND RESTATED  
SAN DIEGO COUNTY REGIONAL  
AIRPORT AUTHORITY RETIREMENT  
PLAN AND TRUST OF 2008**

Originally effective January 1, 2003;  
Restated effective July 1, 2007

- (b) If the Member has less than 5 years of Service Credit, the Member may leave all of the Member's Accumulated Contributions with this Plan to:
  - (1) maintain Service Credit if the Member is re-employed by the Airport Authority at a later date, or
  - (2) establish reciprocity with a reciprocal agency.
- (c) If the Member has 5 or more years of Service Credit but does not yet meet the age and service requirements for a service retirement, then the Member may become a Deferred Member by leaving his or her Accumulated Contributions with this Plan. Subject to the provisions of Division 4 below, a Deferred Member is eligible to retire when the Deferred Member meets the age and service requirements in place when the Deferred Member left Airport Authority employment, and will receive the level of benefits in place on the day the Deferred Member terminated Airport Authority service.

#### **§0206 Termination of Benefits**

Any Member who withdraws the Member's Accumulated Contributions from this Plan is deemed to have knowingly stopped participating in this Plan, and will be ineligible for any rights, privileges or benefits from this Plan.

### **DIVISION 3: RETIREMENT FOR SERVICE**

#### **§0300 Member Retirement Allowance**

- (a) Members are eligible for a service retirement at:
  - (1) age 55 with 20 or more years of Service Credit, or
  - (2) age 62 with 5 or more years of Service Credit.
- (b) This Plan will pay to a Member who retires on a service retirement a Monthly Retirement Allowance, which consists of the sum of:
  - (1) the Monthly Pension (the pension derived from the Airport Authority's contributions that is sufficient, when added to the Monthly Annuity, to equal the Basic Allowance);
  - (2) the Monthly Annuity (a payment that is the Actuarial Equivalent of the Member's Accumulated Normal Contributions at the time of the Member's retirement);
  - (3) the Cost of Living Annuity (the lifetime payment derived from the Member's COL Contributions, which is added to the Member's Basic Allowance, and calculated by computing the Actuarial Equivalent of the Member's Accumulated Cost of Living Contributions); and

- (4) the COL Pension (the Member's total accumulated Cost of Living Adjustments).
- (c) The Basic Allowance is calculated as follows:
- (1) determine the Retirement Calculation Factor that corresponds to the Member's age at retirement (as shown in the table in this section entitled "Retirement Calculation Factors"), then multiply the result by the Member's years or partial years of Service Credit to arrive at the "Member's Retirement Percentage";
  - (2) multiply 2/3 of the Member's Retirement Percentage by \$400;
  - (3) as a separate calculation, subtract \$400 from the Member's Final Average Salary, and multiply the result by the Member's Retirement Percentage;
  - (4) add the resulting numbers from subsections (2) and (3) to arrive at the Member's Basic Allowance.
- (d) An Andrecht-Covered Member may choose, at the time of the Member's retirement (or at the commencement of the Member's DROP participation), to have the Member's Basic Allowance calculated using one of the following alternatives:
- (1) the Retirement Calculation Factors in effect under the SDCERS Plan on December 31, 2001 (as shown in the table below), with a 10% increase to the Member's Final Average Salary;
  - (2) the Retirement Calculation Factors in effect under the SDCERS Plan on January 1, 2002 (as shown in the table below), with no increase to the Member's Final Average Salary; or
  - (3) the Retirement Calculation Factors in effect on April 1, 2004 (as shown in the table below), with no increase to the Member's Final Average Salary.
- (e) Every Member who is not an Andrecht-Covered Member will have the Member's Basic Allowance calculated using the Retirement Calculation Factors in effect on April 1, 2004, with no increase to the Member's Final Average Salary.

RETIREMENT CALCULATION FACTORS			
Retirement Age	Retirement Factor Effective 12/31/2001	Retirement Factor Effective 01/01/2002	Retirement Factor Effective 4/01/2004
55.00	2.00%	2.25%	2.500%
55.25	2.00%	2.25%	2.525%
55.50	2.00%	2.25%	2.550%
55.75	2.00%	2.25%	2.575%
56.00	2.00%	2.25%	2.600%

56.25	2.00%	2.25%	2.625%
56.50	2.00%	2.25%	2.650%
56.75	2.00%	2.25%	2.675%
57.00	2.00%	2.25%	2.700%
57.25	2.00%	2.25%	2.725%
57.50	2.00%	2.25%	2.750%
57.75	2.00%	2.25%	2.775%
58.00	2.00%	2.25%	2.800%
58.25	2.02%	2.25%	2.825%
58.50	2.04%	2.25%	2.850%
58.75	2.06%	2.25%	2.875%
59.00	2.08%	2.25%	2.900%
59.25	2.10%	2.2625%	2.925%
59.50	2.12%	2.275%	2.950%
59.75	2.14%	2.2875%	2.975%
60.00	2.16%	2.30%	3.000%
60.25	2.18%	2.3125%	3.000%
60.50	2.20%	2.325%	3.000%
60.75	2.22%	2.3375%	3.000%
61.00	2.24%	2.35%	3.000%
61.25	2.2575%	2.3625%	3.000%
61.50	2.2750%	2.375%	3.000%
61.75	2.2925%	2.3875%	3.000%
62.00	2.31%	2.40%	3.000%
62.25	2.33%	2.4125%	3.000%
62.50	2.35%	2.425%	3.000%
62.75	2.37%	2.4375%	3.000%
63.00	2.39%	2.45%	3.000%
63.25	2.41%	2.4625%	3.000%
63.50	2.43%	2.475%	3.000%
63.75	2.45%	2.4875%	3.000%
64.00	2.47%	2.50%	3.000%
64.25	2.49%	2.5125%	3.000%
64.50	2.51%	2.525%	3.000%
64.75	2.53%	2.5375%	3.000%
65+	2.55%	2.55%	3.000%

- (f) The Retirement Calculation Factor is used to calculate the Basic Allowance. If the Member elects one of the optional retirement settlements described in Division 6, the Member will receive a reduced Monthly Retirement Allowance. If a Member's Basic Allowance is calculated using the Retirement Calculation Factors in effect on April 1, 2004 (as shown in the table above), then the Member's Basic Allowance may not exceed 90% of the Member's Final Average Salary. However, the 90% cap does not apply to:

- (1) any Executive Member (as defined below); or
- (2) any Member whose Basic Allowance is calculated pursuant to § 0300(d)(1) or § 0300(d)(2).

Notwithstanding anything to the contrary in this section, the Retirement Calculation Factor is 3.00% at a retirement age of 55 or older for the following Members (collectively, "Executive Members"): the Airport Authority's President & Chief Executive Officer, General Counsel, Chief Auditor and Vice Presidents; and members of the Airport Authority's executive committee appointed pursuant to Section 170028 of the California Public Utilities Code.

#### **DIVISION 4: BLENDED BENEFITS AND RECIPROCITY**

##### **§0400 Blended Benefits**

- (a) This section applies when the Administrator of this Plan is the Board and when a Member has Service Credit with more than one plan administered by SDCERS and which are participating in the SDCERS Group Trust.
- (b) Retirement Service Calculation: The Administrator will calculate the Basic Allowance of a Member who has Service Credit with more than one SDCERS-administered plan, and who retires simultaneously from all such plans, as follows:
  - (1) The Administrator will determine the Member's service calculation separately for each SDCERS-administered plan category using:
    - (A) the Retirement Calculation Factor for each plan in effect when the Member retires from this Plan, and
    - (B) the Member's highest one-year of compensation while a Member of this Plan or any other SDCERS-administered plan.
    - (C) The Administrator will then add together the separate service calculations to arrive at the Member's Basic Allowance.
  - (2) If the Member becomes disabled and qualifies for a disability retirement, the Administrator will compute the Member's retirement benefit using the formula in effect for the plan in which the Member was actively participating at the time the disabling injury occurred.
- (c) Vesting and Eligibility:
  - (1) The Member may combine the Member's Service Credit with the service credit of all other SDCERS-administered plans, to satisfy the vesting requirements for each. The Member must satisfy the age and vesting requirements for each plan

**EXHIBIT C TO STAFF REPORT**



**ORIGINAL**

**AMENDED AND RESTATED**

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**SAN DIEGO COUNTY REGIONAL  
AIRPORT AUTHORITY RETIREMENT  
PLAN AND TRUST OF 2013**

Originally effective January 1, 2003;  
Amended May 3, 2004, effective April 1, 2004 [Reso. 2004-0039];  
Amended and Restated July 5, 2007, effective July 1, 2007 [Reso. 2007-0082];  
Amended and Restated June 5, 2008 [Reso. 2008-0078];  
Amended June 7, 2012 [Reso. 2012-0069];  
Amended and Restated effective January 1, 2013 [Reso. 2013-0072R].

Member left Airport Authority employment, and will receive the level of benefits in place on the day the Deferred Member terminated Airport Authority service.

### §0206 Termination of Benefits

Any Member who withdraws the Member's Accumulated Contributions from this Plan is deemed to have knowingly stopped participating in this Plan, and will be ineligible for any rights, privileges or benefits from this Plan.

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## DIVISION 3: RETIREMENT FOR SERVICE

### §0300 Member Retirement Allowance

- (a) Classic Members are eligible for a service retirement at:
  - (1) age 55 with 20 or more years of Service Credit, or
  - (2) age 62 with 5 or more years of Service Credit.
- (b) PEPRA Members are eligible for a service retirement at:
  - (1) age 52 with 5 or more years of Service Credit.
- (c) This Plan will pay to a Member who retires on a service retirement a Monthly Retirement Allowance, which consists of the sum of:
  - (1) the Monthly Pension (the pension derived from the Airport Authority's contributions that is sufficient, when added to the Monthly Annuity, to equal the Basic Allowance);
  - (2) the Monthly Annuity (a payment that is the Actuarial Equivalent of the Member's Accumulated Normal Contributions at the time of the Member's retirement);
  - (3) the Cost of Living Annuity (the lifetime payment derived from the Member's COL Annuity Contributions, which is added to the Member's Basic Allowance, and calculated by computing the Actuarial Equivalent of the Member's Accumulated Cost of Living Annuity Contributions); and
  - (4) the Cost of Living Adjustment (the Member's total accumulated Cost of Living Adjustments described below in §1301).
- (d) The Basic Allowance is calculated as follows:
  - (1) determine the Retirement Calculation Factor that corresponds to the Member's membership category and age at retirement (as shown in the tables in this section entitled "Retirement Calculation Factors"), then multiply the result by the Member's years or partial years of Service Credit to arrive at the "Member's Retirement Percentage";

- (2) multiply 2/3 of the Member's Retirement Percentage by \$400;
  - (3) as a separate calculation, subtract \$400 from the Member's Final Average Salary, and multiply the result by the Member's Retirement Percentage;
  - (4) add the resulting numbers from subsections (2) and (3) to arrive at the Member's Basic Allowance.
- (e) A Classic Member who is an Andrecht-Covered Member may choose, at the time of the Member's retirement (or at the commencement of the Member's DROP participation), to have the Member's Basic Allowance calculated using one of the following alternatives:
- (1) the Retirement Calculation Factors in effect under the SDCERS Plan on December 31, 2001 (as shown in the table below), with a 10% increase to the Member's Final Average Salary;
  - (2) the Retirement Calculation Factors in effect under the SDCERS Plan on January 1, 2002 (as shown in the table below), with no increase to the Member's Final Average Salary; or
  - (3) the Retirement Calculation Factors in effect on April 1, 2004 (as shown in the table below), with no increase to the Member's Final Average Salary.
- (f) Every Classic Member who is not an Andrecht-Covered Member will have the Member's Basic Allowance calculated using the Retirement Calculation Factors in effect on April 1, 2004, with no increase to the Member's Final Average Salary.
- (g) When calculating the Member's retirement benefit, the following Retirement Calculation Factors Tables apply:

RETIREMENT CALCULATION FACTORS  
CLASSIC MEMBERS

Retirement Age	Retirement Factor Effective 12/31/2001	Retirement Factor Effective 01/01/2002	Retirement Factor Effective 4/01/2004
55.00	2.00%	2.25%	2.500%
55.25	2.00%	2.25%	2.525%
55.50	2.00%	2.25%	2.550%
55.75	2.00%	2.25%	2.575%
56.00	2.00%	2.25%	2.600%
56.25	2.00%	2.25%	2.625%
56.50	2.00%	2.25%	2.650%
56.75	2.00%	2.25%	2.675%
57.00	2.00%	2.25%	2.700%
57.25	2.00%	2.25%	2.725%
57.50	2.00%	2.25%	2.750%

RETIREMENT CALCULATION FACTORS  
CLASSIC MEMBERS

Retirement Age	Retirement Factor Effective 12/31/2001	Retirement Factor Effective 01/01/2002	Retirement Factor Effective 4/01/2004
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57.75	2.00%	2.25%	2.775%
58.00	2.00%	2.25%	2.800%
58.25	2.02%	2.25%	2.825%
58.50	2.04%	2.25%	2.850%
58.75	2.06%	2.25%	2.875%
59.00	2.08%	2.25%	2.900%
59.25	2.10%	2.2625%	2.925%
59.50	2.12%	2.275%	2.950%
59.75	2.14%	2.2875%	2.975%
60.00	2.16%	2.30%	3.000%
60.25	2.18%	2.3125%	3.000%
60.50	2.20%	2.325%	3.000%
60.75	2.22%	2.3375%	3.000%
61.00	2.24%	2.35%	3.000%
61.25	2.2575%	2.3625%	3.000%
61.50	2.2750%	2.375%	3.000%
61.75	2.2925%	2.3875%	3.000%
62.00	2.31%	2.40%	3.000%
62.25	2.33%	2.4125%	3.000%
62.50	2.35%	2.425%	3.000%
62.75	2.37%	2.4375%	3.000%
63.00	2.39%	2.45%	3.000%
63.25	2.41%	2.4625%	3.000%
63.50	2.43%	2.475%	3.000%
63.75	2.45%	2.4875%	3.000%
64.00	2.47%	2.50%	3.000%
64.25	2.49%	2.5125%	3.000%
64.50	2.51%	2.525%	3.000%
64.75	2.53%	2.5375%	3.000%
65+	2.55%	2.55%	3.000%

RETIREMENT CALCULATION FACTORS  
PEPRA MEMBERS

Retirement Age	Retirement Factor Effective 01/01/13
52.00	1.000%
52.25	1.025%
52.50	1.050%
52.75	1.075%
53.00	1.100%
53.25	1.125%
53.50	1.150%
53.75	1.175%
54.00	1.200%
54.25	1.225%
54.50	1.250%
54.75	1.275%
55.00	1.300%
55.25	1.325%
55.50	1.350%
55.75	1.375%
56.00	1.400%
56.25	1.425%
56.50	1.450%
56.75	1.475%
57.00	1.500%
57.25	1.525%
57.50	1.550%
57.75	1.575%
58.00	1.600%
58.25	1.625%
58.50	1.650%
58.75	1.675%
59.00	1.700%
59.25	1.725%
59.50	1.750%
59.75	1.775%
60.00	1.800%
60.25	1.825%
60.50	1.850%
60.75	1.875%
61.00	1.900%

RETIREMENT CALCULATION FACTORS PEPRA MEMBERS	
Retirement Age	Retirement Factor Effective 01/01/13
61.25	1.925%
61.50	1.950%
61.75	1.975%
62.00	2.000%
62.25	2.025%
62.50	2.050%
62.75	2.075%
63.00	2.100%
63.25	2.125%
63.50	2.150%
63.75	2.175%
64.00	2.200%
64.25	2.225%
64.50	2.250%
64.75	2.275%
65.00	2.300%
65.25	2.325%
65.50	2.350%
65.75	2.375%
66.00	2.400%
66.25	2.425%
66.50	2.450%
66.75	2.475%
67+	2.500%

- (h) The Retirement Calculation Factor is used to calculate the Basic Allowance. If the Member elects one of the optional retirement settlements described in Division 6, the Member will receive a reduced Monthly Retirement Allowance. If a Member's Basic Allowance is calculated using the Retirement Calculation Factors in effect on April 1, 2004 (as shown in the table above), then the Member's Basic Allowance may not exceed 90% of the Member's Final Average Salary. However, the 90% cap does not apply to:
- (1) any Executive Member (as defined below) hired or appointed before January 1, 2013; or
  - (2) any Member whose Basic Allowance is calculated pursuant to §0300(d)(1) or §0300(d)(2).
- (i) Notwithstanding anything to the contrary in this section, the Retirement Calculation Factor is 3.00% at a retirement age of 55 or older for the following Classic Members who

hold one of the following positions (collectively, "Executive Members"): the Airport Authority's President & Chief Executive Officer, General Counsel, Chief Auditor and Vice Presidents. The Retirement Calculation Factor for Members holding one of these positions who do not qualify as Classic Members will be the factors according to age at retirement listed in the PEPRA Members Table in the preceding section.

- (j) Notwithstanding anything to the contrary in this section, an Executive Member who on or after January 1, 2013 changes membership categories under this Plan will receive a blended benefit as described in §0400 of this Plan. An Executive Member who enters into that membership category on or after January 1, 2013 shall not receive a retroactive upgrade of prior Service Credit.
- (k) Base Compensation for calculation of a PEPRA Member's Basic Allowance may not exceed 100% of the contribution and benefit base specified in §430(b) of Title 42 of the United States Code on January 1, 2013. Notwithstanding this limitation, a PEPRA Member's Base Compensation will be adjusted following each actuarial valuation based on changes to the Consumer Price Index for All Urban Consumers effective annually on January 1 following the annual valuation. This provision is subject to modification from year to year with regards to all Members subject to this provision except that no modification made may result in a decrease in benefits accrued prior to the effective date of the modification.
- (l) Any enhancement to a Member's retirement formula or retirement benefit adopted on or after January 1, 2013, shall apply only to service performed on or after the operative date of the enhancement and shall not be applied to any service performed prior to the operative date of the enhancement. For purposes of this section, the operative date of an enhancement shall have the same meaning as set forth in California Government Code §7522.44(c).

#### **DIVISION 4: BLENDED BENEFITS AND RECIPROCITY**

##### **§0400 Blended Benefits**

- (a) This section applies when a Member has Service Credit with more than one plan administered by SDCERS and which are participating in the SDCERS Group Trust.
- (b) This section also applies when a Member has Service Credit in more than one membership category as a result of a change in categories occurring on or after January 1, 2013 as a result of movement to or from one of the positions defined as an Executive Member.
- (c) Retirement Service Calculation: The Administrator will calculate the Basic Allowance of a Member who has Service Credit in more than one membership category as described in the preceding paragraph and/or with more than one SDCERS-administered plan, and who retires simultaneously from all such membership categories or plans, as follows:

## AMENDMENT 5 TO THE PLAN

**DIVISION 3: RETIREMENT FOR SERVICE****§0300 Member Retirement Allowance**

- (h) The Retirement Calculation Factor is used to calculate Basic Allowance. If the Member elects one of the optional retirement settlements described in Division 6, the Member will receive a reduced Monthly Retirement Allowance. If a Member's Basic Allowance is calculated using the Retirement Calculation Factors in effect on April 1, 2004 (as shown in the table above), then the Member's Basic Allowance may not exceed 90% of the Member's Final Average Salary. However, the 90% cap does not apply to:
- (1) any Executive Member (as defined below) hired or appointed before January 1, 2013; or
  - (2) any Member whose Basic Allowance is calculated pursuant to §0300(de)(1) or §0300(de)(2).



RESOLUTION NO. 2017-0072

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AMENDMENT NO. 4 TO THE AMENDED AND RESTATED SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY PLAN AND TRUST OF 2013

WHEREAS, in 2003, for the benefit of the employees of the Authority and their beneficiaries, the Board of the San Diego County Regional Airport Authority (“Authority”) adopted the San Diego City Employees’ Retirement System Retirement Plan for Airport Authority Employees; and

WHEREAS, the original 2003 retirement plan has been subsequently amended and/or restated by Board actions in 2004, 2008, 2012, 2013, 2014, 2015 and 2016, resulting in the current Amended and Restated San Diego County Regional Airport Authority Retirement Plan and Trust of 2013 (“Plan”); and

WHEREAS, the Plan is a qualified governmental pension plan under §401(a) and §414(d) of the Internal Revenue Code of 1986, as amended, and is administered by the San Diego City Employees’ Retirement System (“SDCERS”) pursuant to the terms of the San Diego City Employees’ Retirement System Participation and Administration Agreement (“P&A Agreement”) approved by the Board in 2008; and

WHEREAS, SDCERS administers the Plan under a Group Trust (as set forth in the 2007 Declaration of Trust pursuant to IRS Code §401(a)(24) and in accordance with Revenue Ruling 81-100, as revised by Revenue Ruling 2004-67; and

WHEREAS, pursuant to the P&A Agreement, San Diego Municipal Code §24.1806 and provisions of the Group Trust, the Authority Plan is treated as a separate retirement plan with a separate trust from those of the City of San Diego or San Diego Unified Port District, however the assets of the three plans are commingled for investment purposes only; and

WHEREAS, § 0103 of the Plan provides that “A Full-time Employee must participate in this Plan as a condition of employment;” and

WHEREAS, Rule 3.30 of the SDCERS Rules of the Board of Administration prohibits overlapping service credit under more than one SDCERS-administered retirement plan at one time; and

WHEREAS, § 0400(f) of the Authority’s Retirement Plan provides that “Notwithstanding any other provision herein, service reflecting any specific period of employment may only be used to calculate benefits under one SDCERS-administered plan;” and

WHEREAS, it was and is the intent of Board of the San Diego County Regional Airport Authority to preclude a Full-time Employee of the Authority from participating in the Authority's retirement plan while concurrently accruing benefits from other plans administered by SDCERS; and

WHEREAS, in order to clarify any possible ambiguity in regard to these Sections and Rules, the Authority is hereby amending § 0103 of the Retirement Plan as set forth in "Exhibit A"; and

WHEREAS, SDCERS legal counsel concurs that this clarification should be made.

NOW THEREFORE BE IT RESOLVED that the Board hereby approves and adopts Amendment No. 4 ("Exhibit A") to incorporate the required changes; and

BE IT FURTHER RESOLVED that the Board hereby authorizes the President/CEO to execute Amendment No. 4 and to take any further related actions deemed necessary; and

BE IT FURTHER RESOLVED that the Board of the San Diego County Regional Airport Authority finds that this Board action is not a "project" as defined by the California Environmental Quality Control Act (CEQA) Pub. Res. Code Section 21065; and is not a "development" as defined by the California Coastal Act Pub. Res. Code Section 30106.

PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a Board meeting this 7<sup>th</sup> day of September, 2017 by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

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TONY R. RUSSELL  
DIRECTOR, CORPORATE &  
INFORMATION GOVERNANCE/  
AUTHORITY CLERK

APPROVED AS TO FORM:

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AMY GONZALEZ  
GENERAL COUNSEL

## AMENDMENT 4 TO THE PLAN

## DIVISION 1: CREATION OF PLAN AND TRUST AND DEFINITIONS

**§0103 Participation**

~~A Full-time employee must participate in this Plan as a condition of employment. A Part-time Employee is not eligible to participate in this Plan. A Full-time Employee who is not receiving Service Credit or benefits under another SDCERS-administered retirement plan, and is not contributing to another SDCERS-administered retirement plan, must participate in this Plan as a condition of employment. However, a Full-time Employee who is receiving Service Credit or benefits under another SDCERS-administered retirement plan, and/or is contributing to another SDCERS-administered retirement plan, may not participate in this Plan.~~ The Airport Authority may hire a retired City, UPD, or Airport Authority employee if the requirements of §0103.5 are met, but the employee is not eligible to participate in this Plan as a member while the employee is receiving retirement benefits from this Plan. The Airport Authority, in its sole discretion, will determine whether any person is a Full-time Employee or a Part-time Employee. This determination will be conclusive and binding for all purposes under this Plan.

RESOLUTION NO. 2017-0073

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AMENDMENT NO. 5 TO THE AMENDED AND RESTATED SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY PLAN AND TRUST OF 2013

WHEREAS, in 2003, for the benefit of the employees of the Authority and their beneficiaries, the Board of the San Diego County Regional Airport Authority (“Authority”) adopted the San Diego City Employees’ Retirement System Retirement Plan for Airport Authority Employees; and

WHEREAS, the original 2003 retirement plan has been subsequently amended and/or restated by Board actions in 2004, 2008, 2012, 2013, 2014, 2015 and 2016, resulting in the current Amended and Restated San Diego County Regional Airport Authority Retirement Plan and Trust of 2013 (“Plan”); and

WHEREAS, the Plan is a qualified governmental pension plan under §401(a) and §414(d) of the Internal Revenue Code of 1986, as amended, and is administered by the San Diego City Employees’ Retirement System (“SDCERS”) pursuant to the terms of the San Diego City Employees’ Retirement System Participation and Administration Agreement (“P&A Agreement”) approved by the Board in 2008; and

WHEREAS, SDCERS administers the Plan under a Group Trust (as set forth in the 2007 Declaration of Trust pursuant to IRS Code §401(a)(24) and in accordance with Revenue Ruling 81-100, as revised by Revenue Ruling 2004-67; and

WHEREAS, pursuant to the P&A Agreement, San Diego Municipal Code §24.1806 and provisions of the Group Trust, the Authority Plan is treated as a separate retirement plan with a separate trust from those of the City of San Diego or San Diego Unified Port District, however the assets of the three plans are commingled for investment purposes only; and

WHEREAS, § 0300 of the Plan provides the eligibility for and calculation of a service retirement benefit; and

WHEREAS, in the 2008 Restated Plan, § 0300(f) explained when a 90% cap on a Member’s Final Average Salary is required and when it is not required; and

WHEREAS, the 90% cap should not be applied when a Member selects the retirement factors in effect on December 31, 2001 or January 1, 2002 however, when the Plan was amended and restated in 2013 to add PEPRA provisions (i.e., state law mandated changes), a subpart was added to § 0300

and subsection (d) became subsection (e) but the cross-reference was never updated in new subsection (h); and

WHEREAS, the Plan should be amended to correct this administrative error; and

WHEREAS, attached as "Exhibit A" is proposed Amendment No. 5 to amend the Plan to incorporate the required changes to amend the reference to cite the correct section; and

WHEREAS, SDCERS legal counsel concurs that this correction should be made.

NOW THEREFORE BE IT RESOLVED that the Board hereby approves and adopts Amendment No. 5 ("Exhibit A") to incorporate the required changes; and

BE IT FURTHER RESOLVED that the Board hereby authorizes the President/CEO to execute Amendment No. 5 and to take any further related actions deemed necessary; and

BE IT FURTHER RESOLVED that the Board of the San Diego County Regional Airport Authority finds that this Board action is not a "project" as defined by the California Environmental Quality Control Act (CEQA) Pub. Res. Code Section 21065; and is not a "development" as defined by the California Coastal Act Pub. Res. Code Section 30106.

PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a Board meeting this 7<sup>th</sup> day of September, 2017 by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

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TONY R. RUSSELL  
DIRECTOR, CORPORATE &  
INFORMATION GOVERNANCE /  
AUTHORITY CLERK

APPROVED AS TO FORM:

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AMY GONZALEZ  
GENERAL COUNSEL

## AMENDMENT 5 TO THE PLAN

**DIVISION 3: RETIREMENT FOR SERVICE****§0300 Member Retirement Allowance**

- (h) The Retirement Calculation Factor is used to calculate Basic Allowance. If the Member elects one of the optional retirement settlements described in Division 6, the Member will receive a reduced Monthly Retirement Allowance. If a Member's Basic Allowance is calculated using the Retirement Calculation Factors in effect on April 1, 2004 (as shown in the table above), then the Member's Basic Allowance may not exceed 90% of the Member's Final Average Salary. However, the 90% cap does not apply to:
- (1) any Executive Member (as defined below) hired or appointed before January 1, 2013; or
  - (2) any Member whose Basic Allowance is calculated pursuant to §0300(~~de~~)(1) or §0300(~~de~~)(2).

## **STAFF REPORT**

Meeting Date: **SEPTEMBER 7, 2017**

### **Subject:**

**Approve and Authorize the President/CEO to Execute Agreements for Outside Legal Counsel Services**

### **Recommendation:**

Adopt Resolution No. 2017-0074, approving and authorizing the President/CEO to negotiate and execute an Agreement with Best Best & Krieger LLP for legal services for a term of three years with two one-year options to renew for a maximum amount payable of \$500,000.

Adopt Resolution No. 2017-0075, approving and authorizing the President/CEO to negotiate and execute an Agreement with Gatzke Dillon & Ballance LLP for legal services for a term of three years with two one-year options to renew for a maximum amount payable of \$500,000.

Adopt Resolution No. 2017-0076, approving and authorizing the President/CEO to negotiate and execute an Agreement with Kaplan Kirsch & Rockwell LLP for legal services for a term of three years with two one-year options to renew for a maximum amount payable of \$500,000.

Adopt Resolution No. 2017-0077, approving and authorizing the President/CEO to negotiate and execute an Agreement with Morrison & Foerster LLP for legal services for a term of three years with two one-year options to renew for a maximum amount payable of \$500,000.

### **Background/Justification:**

On April 4, 2017, the Authority released a Request for Proposals ("RFP") to obtain the legal services of one or more qualified law firms to assist the General Counsel with general legal issues encountered by the Authority. Responses to the RFP were due on May 2, 2017.

Eleven law firms submitted timely proposals in response to the RFP. They were:

- Best Best & Krieger LLP
- Fisher & Phillips
- Gatzke Dillon & Ballance LLP
- Kaplan Kirsch & Rockwell LLP
- Kutak Rock LLP
- Liebert Cassidy Whitmore
- Manning & Kass, Ellrod, Ramirez, Trester LLP
- Morrison & Foerster LLP

- Orrick, Herrington & Sutcliffe
- Polsinelli LLP
- Richards, Watson & Gershon

An evaluation panel, comprised of four attorneys from the Office of General Counsel reviewed the proposals and evaluated the proposals based on the following criteria: Small Business Preference, Cost/Fees, Sustainability, Counsel Questionnaire Form. Following an evaluation of the proposal, the following five firms were shortlisted and invited to interview with the panel: Best Best & Kreiger LLP, Gatzke Dillon & Ballance LLP, Kaplan Kirsch & Rockwell LLP, Morrison & Foerster LLP, Richards Watson & Gershon. Prior to the interview, Richards Watson & Gershon withdrew citing a potential conflict of interest.

On August 7, 2017 the evaluation panel, with a representative from the Procurement Department in attendance to facilitate interviews, reviewed the written proposals and documents submitted and interviewed representatives from the four firms. At the conclusion of the interviews, the evaluation panel scored the firms and concluded that the each firm offered strengths in a wide range of areas. The General Counsel recommends the award of new legal services agreements for general legal services to each of the four final firms. It is requested that the Board authorize the President/CEO to execute agreements with each of the law firms upon approval as to legal form by the General Counsel.

The matrix below reflects the evaluation of the panel members:

Final Rank	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Total	Rank
Best Best & Krieger LLP	1	1	1	1	4	1
Gatzke Dillon & Ballance LLP	3	2	2	3	10	2
Kaplan Kirsch & Rockwell LLP	2	3	3	2	10	2
Morrison & Foerster LLP	4	4	4	4	16	4

Attached is a brief description of each firm recommended for award of an agreement.

### **Fiscal Impact:**

Adequate funding for this agreement is included in the adopted FY 2018 and conceptually approved FY 2019 Operating Expense Budgets within the Contractual Services line item.

### **Authority Strategies:**

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy  
  Customer Strategy  
  Employee Strategy  
  Financial Strategy  
  Operations Strategy



**Environmental Review:**

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Application of Inclusionary Policies:**

Policy 5.12 was applied to this solicitation. None of the firms that submitted proposals qualified as a small business.

**Prepared by:**

AMY GONZALEZ  
GENERAL COUNSEL

RESOLUTION NO. 2017-0074

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH BEST BEST & KRIEGER LLP FOR LEGAL SERVICES FOR A TERM OF THREE YEARS WITH TWO ONE-YEAR OPTIONS TO RENEW FOR A MAXIMUM AMOUNT PAYABLE OF \$500,000

WHEREAS, the Authority has a continuing need for outside counsel legal services to assist the General Counsel with legal issues facing the Authority; and

WHEREAS, on April 4, 2017, the Authority released a Request for Proposals ("RFP) to obtain the legal services of one or more qualified law firms to assist the General Counsel with regard to general legal services; and

WHEREAS, the RFP specified that the Authority intended to enter an agreement with one or more law firms where said agreement would have a term of three (3) years with two (2) options, exercisable at the discretion of the General Counsel and the President/CEO, with a maximum amount payable under the agreement of five hundred thousand dollars (\$500,000); and

WHEREAS, the Authority received eleven proposals in response to the RFP; and

WHEREAS, the Authority's evaluation panel shortlisted five firms and invited them to interview; and

WHEREAS, after reviewing the proposals and interviewing four of the short-listed law firms, the panel recommended awarding an agreement to Best Best & Krieger; and

WHEREAS, the Board determines that awarding an agreement to Best Best & Krieger is in the best interest of the Authority.

NOW THEREFORE BE IT RESOLVED, that the Board hereby approves and authorizes the President/CEO to negotiate and execute an agreement between the Authority and Best Best & Krieger LLP for a term of three years with two one-year options to renew at the discretion of the General Counsel and the President/CEO, with a compensation amount not to exceed \$500,000 to provide professional legal services; and

BE IT FURTHER RESOLVED that the Board of the San Diego County Regional Airport Authority finds that this Board action is not a "project" as defined by the California Environmental Quality Control Act (CEQA) Pub. Res. Code

Section 21065; and is not a “development” as defined by the California Coastal Act Pub. Res. Code Section 30106.

PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a Board meeting this 7<sup>th</sup> day of September, 2017 by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

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TONY R. RUSSELL  
DIRECTOR, CORPORATE &  
INFORMATION GOVERNANCE/  
AUTHORITY CLERK

APPROVED AS TO FORM:

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AMY GONZALEZ  
GENERAL COUNSEL

RESOLUTION NO. 2017-0075

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH GATZKE DILLON & BALANCE LLP FOR LEGAL SERVICES FOR A TERM OF THREE YEARS WITH TWO ONE-YEAR OPTIONS TO RENEW FOR A MAXIMUM AMOUNT PAYABLE OF \$500,000

WHEREAS, the Authority has a continuing need for outside counsel legal services to assist the General Counsel with legal issues facing the Authority; and

WHEREAS, on April 4, 2017, the Authority released a Request for Proposals ("RFP") to obtain the legal services of one or more qualified law firms to assist the General Counsel with regard to general legal services; and

WHEREAS, the RFP specified that the Authority intended to enter an agreement with one or more law firms where said agreement would have a term of three (3) years with two (2) options, exercisable at the discretion of the General Counsel and the President/CEO, with a maximum amount payable under the agreement of five hundred thousand dollars (\$500,000); and

WHEREAS, the Authority received eleven proposals in response to the RFP; and

WHEREAS, the Authority's evaluation panel shortlisted five firms and invited them to interview; and

WHEREAS, after reviewing the proposals and interviewing four of the short-listed law firms, the panel recommended awarding an agreement to Gatzke Dillon & Ballance; and

WHEREAS, the Board determines that awarding an agreement to Gatzke Dillon & Ballance is in the best interest of the Authority.

NOW THEREFORE BE IT RESOLVED, that the Board hereby approves and authorizes the President/CEO to negotiate and execute an agreement between the Authority and Gatzke Dillon & Balance LLP for a term of three years with two one-year options to renew at the discretion of the General Counsel and the President/CEO, with a compensation amount not to exceed \$500,000 to provide professional legal services; and

BE IT FURTHER RESOLVED that the Board of the San Diego County Regional Airport Authority finds that this Board action is not a “project” as defined by the California Environmental Quality Control Act (CEQA) Pub. Res. Code Section 21065; and is not a “development” as defined by the California Coastal Act Pub. Res. Code Section 30106.

PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a Board meeting this 7<sup>th</sup> day of September, 2017 by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

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TONY R. RUSSELL  
DIRECTOR, CORPORATE &  
INFORMATION GOVERNANCE/  
AUTHORITY CLERK

APPROVED AS TO FORM:

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AMY GONZALEZ  
GENERAL COUNSEL

RESOLUTION NO. 2017-0076

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH KAPLAN KIRSCH & ROCKWELL LLP FOR LEGAL SERVICES FOR A TERM OF THREE YEARS WITH TWO ONE-YEAR OPTIONS TO RENEW FOR A MAXIMUM AMOUNT PAYABLE OF \$500,000

WHEREAS, the Authority has a continuing need for outside counsel legal services to assist the General Counsel with legal issues facing the Authority; and

WHEREAS, on April 4, 2017, the Authority released a Request for Proposals ("RFP) to obtain the legal services of one or more qualified law firms to assist the General Counsel with regard to general legal services; and

WHEREAS, the RFP specified that the Authority intended to enter an agreement with one or more law firms where said agreement would have a term of three (3) years with two (2) options, exercisable at the discretion of the General Counsel and the President/CEO, with a maximum amount payable under the agreement of five hundred thousand dollars (\$500,000); and

WHEREAS, the Authority received eleven proposals in response to the RFP; and

WHEREAS, the Authority's evaluation panel shortlisted five firms and invited them to interview; and

WHEREAS, after reviewing the proposals and interviewing four of the short-listed law firms, the panel recommended awarding an agreement to Kaplan Kirsch & Rockwell LLP; and

WHEREAS, the Board determines that awarding an agreement to Kaplan Kirsch & Rockwell LLP is in the best interest of the Authority.

NOW THEREFORE BE IT RESOLVED, that the Board hereby approves and authorizes the President/CEO to negotiate and execute an agreement between the Authority and Kaplan Kirsch & Rockwell LLP for a term of three years with two one-year options to renew at the discretion of the General Counsel and the President/CEO, with a compensation amount not to exceed \$500,000 to provide professional legal services; and

BE IT FURTHER RESOLVED that the Board of the San Diego County Regional Airport Authority finds that this Board action is not a “project” as defined by the California Environmental Quality Control Act (CEQA) Pub. Res. Code Section 21065; and is not a “development” as defined by the California Coastal Act Pub. Res. Code Section 30106.

PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a Board meeting this 7<sup>th</sup> day of September, 2017 by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

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TONY R. RUSSELL  
DIRECTOR, CORPORATE &  
INFORMATION GOVERNANCE/  
AUTHORITY CLERK

APPROVED AS TO FORM:

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AMY GONZALEZ  
GENERAL COUNSEL

RESOLUTION NO. 2017-0077

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH MORRISON & FOERSTER LLP FOR LEGAL SERVICES FOR A TERM OF THREE YEARS WITH TWO ONE-YEAR OPTIONS TO RENEW FOR A MAXIMUM AMOUNT PAYABLE OF \$500,000

WHEREAS, the Authority has a continuing need for outside counsel legal services to assist the General Counsel with legal issues facing the Authority; and

WHEREAS, on April 4, 2017, the Authority released a Request for Proposals ("RFP") to obtain the legal services of one or more qualified law firms to assist the General Counsel with regard to general legal services; and

WHEREAS, the RFP specified that the Authority intended to enter an agreement with one or more law firms where said agreement would have a term of three (3) years with two (2) options, exercisable at the discretion of the General Counsel and the President/CEO, with a maximum amount payable under the agreement of five hundred thousand dollars (\$500,000); and

WHEREAS, the Authority received eleven proposals in response to the RFP; and

WHEREAS, the Authority's evaluation panel shortlisted five firms and invited them to interview; and

WHEREAS, after reviewing the proposals and interviewing four of the short-listed law firms, the panel recommended awarding an agreement to Morrison & Foerster LLP; and

WHEREAS, the Board determines that awarding an agreement to Morrison & Foerster LLP is in the best interest of the Authority.

NOW THEREFORE BE IT RESOLVED, that the Board hereby approves and authorizes the President/CEO to negotiate and execute an agreement between the Authority and Morrison & Foerster LLP for a term of three years with two one-year options to renew at the discretion of the General Counsel and the President/CEO, with a compensation amount not to exceed \$500,000 to provide professional legal services; and



BE IT FURTHER RESOLVED that the Board of the San Diego County Regional Airport Authority finds that this Board action is not a “project” as defined by the California Environmental Quality Control Act (CEQA) Pub. Res. Code Section 21065; and is not a “development” as defined by the California Coastal Act Pub. Res. Code Section 30106.

PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a Board meeting this 7<sup>th</sup> day of September, 2017 by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

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TONY R. RUSSELL  
DIRECTOR, CORPORATE &  
INFORMATION/ AUTHORITY  
CLERK

APPROVED AS TO FORM:

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AMY GONZALEZ  
GENERAL COUNSEL

## **STAFF REPORT**

Meeting Date: **SEPTEMBER 7, 2017**

### **Subject:**

**Approve and Authorize the President/CEO to Execute a Licensing Agreement with the Rocky Mountain Institute for the Administration of 'The Good Traveler' Carbon Offset Program and the Supply of Carbon Offsets**

### **Recommendation:**

Adopt Resolution No. 2017-0078, approving and authorizing the President/CEO to execute a licensing agreement with the Rocky Mountain Institute for the administration of 'The Good Traveler' program and the supply of carbon offsets.

### **Background/Justification:**

Climate change, caused by the burning of fossil fuels and other human activities that emit greenhouse gases (GHG), is becoming an increasingly important societal and regulatory topic in the world, state, and region. The Airport Authority has implemented a variety of programs and policies to reduce GHG emissions at the San Diego International Airport, many of which were identified in the 2008 Memorandum of Understanding with the State of California Attorney General. These activities have included installing solar photovoltaic arrays, transitioning fleet and ground transportation vehicles to alternative fuels, promoting the use of public transit, and recycling and composting waste. Most recently, the San Diego International Airport became one of only 23 North American airports to be officially certified through the Airport Carbon Accreditation program for effectively managing and reducing Authority-controlled emissions.

In 2015, the Airport Authority launched a program - The Good Traveler - to help enable interested passengers and community members to offset the carbon emissions from their flights. Specifically, the program focused on making the customer experience of purchasing carbon offsets easy, affordable, and meaningful. Over an 18-month pilot period, SAN successfully leveraged numerous 'touch points' within the terminals and throughout the region and industry to offset over 1,950 metric tons of CO<sub>2</sub> (equivalent to approximately 12.5 million air miles). Good Traveler carbon offsets were sold through the program's website ([www.thegoodtraveler.org](http://www.thegoodtraveler.org)), Ryan Brothers Coffee concessions, Balboa Park Visitor Center, aviation and environmental conferences, community event booths, and local hotels. All offset sales supported carbon reduction projects that were third-party verified as being real, additional, and permanent.

The pilot program's success also resulted in the Port Authority of New York & New Jersey, Dallas-Fort Worth International Airport, Seattle-Tacoma International Airport, and the Austin-Bergstrom International Airport expressing interest in adopting The Good Traveler program at their facilities. By expanding the program, Authority staff believes that The Good Traveler will benefit from greater brand awareness, increased national

partnership opportunities, and more competitive carbon offset pricing. To this end, The Good Traveler brand/logo was registered as a formal trademark by the Airport Authority in 2016.

The Authority released a Request for Proposals on February 13, 2017 for a third-party operator to administer the program, expand it to other interested airports, and provide high-quality carbon offsets for program participants. The Authority received seven proposals on March 20, 2017, with all vendors being deemed as responsive:

1. Carbon Credit Capital
2. Center for Sustainable Energy
3. Cool Effect, Inc.
4. Ecosphere+
5. Rocky Mountain Institute/Carbon War Room
6. Sustainable Traveler International
7. Terrapass

An evaluation panel was established that included key representatives from the Authority's Planning & Environmental Affairs Department and partner agencies including the Port Authority of New York & New Jersey, Dallas-Fort Worth International Airport, and Seattle-Tacoma International Airport. The panel conducted a thorough review of all proposals scoring them on carbon offset quality and pricing, sales and marketing ability, corporate longevity, and alignment with sustainable travel. Four proposal teams were invited to interview on May 4, 2017, after which Rocky Mountain Institute was selected as the top candidate.

Rocky Mountain Institute (RMI), which officially merged with the Carbon War Room in 2014, is an international nonprofit focused on crafting practical, market-driven solutions to address climate change and to transition to a low-carbon economy. RMI has approximately 170 full-time staff with offices in New York, Colorado, Washington DC, and China and is very active in the transportation industry through its sustainable aviation fuel and shipping efficiency programs. In its latest fiscal year, RMI received the highest rating (4 stars) by Charity Navigator for its solid financial health, low administrative expenses, and high levels of accountability and transparency. Sub-consultants in RMI's proposal included Nancy Bsales Carbon Consulting, Haley & Aldrich, and SkyNRG.

The licensing agreement will allow RMI, as approved by the Authority, to use The Good Traveler brand and trademarks in the administration of the program and the related sale, marketing, and merchandising of carbon offsets. RMI will be responsible for further developing the program website (as well as website landing pages for each participating airport), fostering partnerships and business development opportunities at the national and international level, convening a program advisory group, supplying highly cost-competitive offsets for retail and bulk purchases, and verifying the proper retirement of purchased offsets. These core services will be provided at no-cost to the Authority, instead being solely supported through the sale of offsets by RMI. Finally, the Rocky Mountain Institute shares the Authority's vision for The Good Traveler program serving as a centralized platform dedicated to decarbonizing the aviation industry.

**Fiscal Impact:**

There is no fiscal impact. Under the contract Rocky Mountain Institute will cover all costs related to The Good Traveler program.

**Authority Strategies:**

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy
- Customer Strategy
- Employee Strategy
- Financial Strategy
- Operations Strategy

**Environmental Review:**

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Application of Inclusionary Policies:**

Not Applicable

**Prepared by:**

BRENDAN REED  
PLANNING & ENVIRONMENTAL AFFAIRS, DIRECTOR

RESOLUTION NO. 2017-0078

A RESOLUTION OF THE BOARD OF THE  
SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY APPROVING AND AUTHORIZING THE  
PRESIDENT/CEO TO EXECUTE A LICENSING  
AGREEMENT WITH THE ROCKY MOUNTAIN  
INSTITUTE FOR THE ADMINISTRATION OF 'THE  
GOOD TRAVELER' PROGRAM AND THE SUPPLY  
OF CARBON OFFSETS

WHEREAS, climate change, caused by the burning of fossil fuels and other human activities that emit greenhouse gases, is becoming an increasingly important societal and regulatory topic; and

WHEREAS, the Airport Authority launched a program in 2015, known as The Good Traveler, to help interested passengers and community members to offset the carbon emissions from their flights; and

WHEREAS, the program successfully leveraged numerous 'touch points' within the terminals and throughout the region and industry to offset over 1,950 metric tons of CO<sub>2</sub> (equivalent to approximately 12.5 million air miles) during its 18-month pilot period; and

WHEREAS, other North American airports have expressed interest in providing The Good Traveler program for their customers and at their facilities; and

WHEREAS, expanding the program will result in greater brand awareness, increased national partnership opportunities, and more competitive carbon offset pricing; and

WHEREAS, the Authority released a Request for Proposals (RFP) on February 13, 2017 for a third-party operator to administer the program, expand it to other interested airports, and provide high-quality carbon offsets for program participants; and

WHEREAS, the Authority received seven proposals in response to the RFP, which were thoroughly reviewed and scored by a multi-agency evaluation panel; and

WHEREAS, the Rocky Mountain Institute (RMI), which is an international nonprofit focused on market-driven solutions to climate change, was selected as the top candidate; and

WHEREAS, RMI shares the Authority's vision for The Good Traveler program serving as a centralized platform dedicated to decarbonizing the aviation industry; and

WHEREAS, the Authority and RMI will support each other in realizing this vision through the sale of carbon offsets, renewable energy credits, and other potential 'in-sector' carbon reduction measures, such as airport energy efficiency and sustainable aviation fuels; and

WHEREAS, the licensing agreement will allow RMI, as approved by the Authority, to use The Good Traveler brand and trademarks in the administration of the program and the related sale, marketing, and merchandising of carbon offsets; and

WHEREAS, these core services will be provided at no-cost to the Authority, instead being solely supported through the sale of offsets by RMI.

NOW, THEREFORE, BE IT RESOLVED that the Board approves and authorizes the President/CEO to execute a licensing agreement with Rocky Mountain Institute for the administration of 'The Good Traveler' program and the supply of carbon offsets; and

BE IT FURTHER RESOLVED that the Authority and its officers, employees, and agents hereby are authorized to do and perform all such acts as may be necessary or appropriate in order to effectuate fully the foregoing resolution; and

BE IT FURTHER RESOLVED that the Board finds that this action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (California Public Resources Code §21065); and is not a "development" as defined by the California Coastal Act (California Public Resources Code §30106).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 7<sup>th</sup> day of September, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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TONY R. RUSSELL  
DIRECTOR, CORPORATE &  
INFORMATION GOVERNANCE /  
AUTHORITY CLERK

APPROVED AS TO FORM:

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AMY GONZALEZ  
GENERAL COUNSEL

## **STAFF REPORT**

Meeting Date: **SEPTEMBER 7, 2017**

### **Subject:**

**Renewal of the Health and Welfare Benefits Program for 2018**

### **Recommendation:**

Adopt Resolution No. 2017-0079, approving the renewal of the Health and Welfare Benefits Program for 2018.

### **Background/Justification:**

On August 28, 2017 the Executive Personnel and Compensation Committee (“Committee”) received a presentation from staff with a recommendation on the renewal of the health and welfare benefits program for 2018. Staff’s recommendation results in a 6.64% (\$300,522) increase in the Authority’s benefits cost compared to the current 2017 calendar year expense and an estimated 2.83% (\$140,355) cost savings based on budgeted expense for calendar year 2018. The Committee unanimously voted to forward the item to the Board for approval.

The San Diego County Regional Airport Authority (“Authority”) provides a comprehensive health and welfare benefit program designed to attract and retain the talent necessary to successfully execute business strategy and to meet its obligations to eligible First Generation retirees. The health and welfare benefit program ensures both employee and retiree participants have access to high quality care. For employees, the program supports the organization’s position as an Employer of Choice in the San Diego labor market. An Employer of Choice is an organization with high employee engagement and pride in the organization. The business value of remaining an Employer of Choice is a stable, highly productive workforce and an avoidance of the costs associated with employee turnover.

With the expertise and guidance of Willis Towers Watson (“Willis”), the Authority’s benefits broker, two groups were assembled to review and assess options for this year’s renewals. The Employee Benefits Task Force (“EBTF”), comprised of twelve members representing a diverse cross section of staff, focused their attention on active employee benefit options, including review of plan cost drivers (e.g. experience and claims), mandatory plan changes, and benchmarking. They also reviewed enrollment credits alternatives, including enhancements to the current Short Term Disability (STD) plan, leave options, and a critical illness plan. The second group was our Alumni Communication Team (“ACT”), comprised of seven members including five retirees and two retirement eligible employees. The ACT focused its attention on the Medicare eligible retiree benefit options. The proposed renewal recommendation was unanimously supported by both EBTF and ACT.



Last year, after 14 years with Anthem Blue Cross, the Authority switched carriers to Blue Shield for the active employees and switched to a Medicare coordinated plan with UnitedHealthCare for the Medicare eligible retirees. This year the medical plans for active employees were not marketed because 1) both the Preferred Provider Organization (“PPO”) and the High Deductible Health Plan (“HDHP”) were performing worse than expected with a high loss claims ratio for 2017; 2) there are several ongoing large claims; and 3) the plans have been marketed every year for the last 4 years. The negotiated renewal for Blue Shield with no plan design changes would result in an 8.9% rate increase. The 8.9% increase includes Affordable Care Act (“ACA”) fees in the amount of 5%. These fees are “pass-through,” meaning they are collected by the carrier and paid to the government. Blue Shield also presented a renewal option that includes adding a fourth limited network Health Management Organization (“HMO”) plan alongside the full network HMO, PPO and HDHP. This fourth plan, called the Trio HMO, has the same plan benefits as the full network HMO. By adding the Trio HMO plan, the rate increase for this renewal option with Blue Shield is estimated to be reduced to 6.6%, including the ACA fees.

The Wellness Program is another component of the proposed medical renewal for active employees and their enrolled spouses. Wellness offers individual incentives for identifying and managing potential health risks and is supported by a contribution of \$30,000 from Blue Shield. The current Wellness incentive, a deposit into an employee’s FSA or 457 account, is offered for the completion of biometric screening. The aggregate data from these health screenings have assisted the Authority in identifying key population risks and developing programs designed to support a healthier lifestyle and help reduce health risks. With 83% of Authority employees participating in Wellness today, it is recommended to maintain the incentives at their current level of \$250 for individuals and \$200 for an eligible spouse or domestic partner.

Regarding dental insurance, although the Authority is no longer in a rate guarantee with Delta Dental, a rate pass has been negotiated for this year. As a result, marketing was not necessary and the current quality coverage will be sustained with no annual cost increases.

In this renewal, staff is also recommending an update in the Authority’s Short Term Disability (“STD”) benefit. Effective January 1, 2018, AB 908 will take effect with two major changes: an increase to the income replacement ratio for the State Disability Insurance program to 70% for low wage earners and 60% for all others, and eliminating the mandatory waiting period for Paid Family Leave. As a result, the Authority STD benefit which currently offer a 50% income replacement ratio and a 14 day waiting period is no longer competitive and is well below the 60% income replacement benchmark for all industries. While the 14 day waiting period and 50% replacement apply to all claims, with the changing demographics of the Authority’s workforce there has been a more noticeable impact on individuals who apply for family leave. To remain competitive in the labor market, a modernization of the benefit is recommended to more effectively mirror the state benefit. The effect will be an increase in premiums from \$148,049 to \$166,038 for the year.

Finally, on other lines of coverage, which includes Basic Life, Accidental Death & Dismemberment (AD&D), Vision Care, Employee Assistance Program (EAP), and Health Advocate, no changes are proposed. As a result, the combined program renewal recommendation, which includes the Trio HMO plan option, maintains quality care with a

\$140,355 or 2.83% annual projected calendar year budget savings as summarized below.

**Authority Paid Premium Costs: Active Employee Only**

Description	Current CY 2017 *	Recommended Renewal CY 2018 **	% Change	CY Budgeted 2018 Costs***	\$ Diff	% Diff
Medical	\$3,970,061	\$4,230,114	6.6%	\$4,358,136	(\$128,022)	-2.9%
Dental	\$323,552	\$323,552	0.0%	\$360,990	(\$37,438)	-10.4%
Other lines (Life, Disability, HealthAdvocate)	\$229,950	\$270,419	17.6%	\$245,314	\$25,105	10.2%
<b>TOTAL</b>	<b>\$4,523,563</b>	<b>\$4,824,085</b>	<b>6.64%</b>	<b>\$4,964,440</b>	<b>(\$140,355)</b>	<b>-2.83%</b>

\* Includes vacant positions all CY 2017

\*\* Includes employees that waive insurance

\*\*\* Wellness is included in current, renewal and budget, Medical amounts 109,250 for annual assumes everyone gets \$250

In regards to the Medicare eligible retirees, the negotiated renewal with UnitedhealthCare was 14.3%, which includes ACA fees in the amount of 10%. There are no plan design changes with this recommended renewal.

In summary, the recommended renewal for the 2018 health and welfare benefits program includes:

- Blue Shield for active employee and pre-Medicare retiree medical coverage with four plan options:
  - HMO
  - Trio (new plan)
  - Classic PPO
  - HDHP
- United Healthcare for Medicare enrolled retiree medical coverage;
- Maintaining the 10% individual premium cost share model for medical coverage;
- Modernization of the Short Term Disability benefit;
- Continued coverage at the current benefit levels for Dental, Vision, Short Term Disability, Basic Life/AD&D, EAP and Health Advocate plans;
- Employee Wellness Program participation incentives including:
  - A 5% individual premium cost share incentive;
  - A \$250 FSA/457 Deferred Compensation deposit for employee participation; and
  - A \$200 FSA/457 Deferred Compensation deposit for enrolled covered spouses and registered domestic partners.

The Authority will continue to offer the following additional voluntary benefits products at no cost to the Authority with 100% of the premium costs paid by employees:

- Long-Term Disability
- Voluntary Term Life and AD&D Insurance
- Accident/Cancer/Hospital Protection/Specified Health Insurance
- Pre-paid Legal coverage
- Long Term Care Insurance

The recommended renewal retains the quality of care, advances employee wellness, sustains a market competitive cost share, and demonstrates fiscal responsibility with an aggregate 6.64% increase in cost to the Authority for all benefit programs in the 2018 plan year.

**Fiscal Impact:**

Adequate funding for 2018 health and welfare benefits renewal is included in the adopted FY 2018 and conceptually approved FY 2019 Budgets.

**Authority Strategies:**

This item supports one or more of the Authority Strategies, as follows:

Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.

B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Application of Inclusionary Policies:**

Not Applicable.

**Prepared by:**

KURT GERING  
DIRECTOR OF TALENT, CULTURE & CAPABILITY

RESOLUTION NO. 2017-0079

A RESOLUTION OF THE BOARD OF THE  
SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY APPROVING THE RENEWAL OF THE  
HEALTH AND WELFARE BENEFITS PROGRAM  
FOR 2018

WHEREAS, the San Diego County Regional Airport Authority (“Authority”) provides a health and welfare benefits program for Authority employees and eligible First Generation retirees; and

WHEREAS, the Authority intends to renew the health and welfare benefits program; and

WHEREAS, in order to assist the Board with evaluating options during the renewal process, staff, through the Authority’s broker of record, Willis Towers Watson of San Diego, has obtained proposals from insurance carriers as well as benefit providers and carefully analyzed the responses; and

WHEREAS, the Board has determined that investing in employee wellness initiatives has the impact of reducing future plan costs and wishes to continue to support such programs; and

WHEREAS, the Board considered the information provided by staff and has reviewed and discussed the various options to provide a comprehensive and competitive benefits program to Authority employees and medical, dental and vision care to eligible retirees; and

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the renewal of the health and welfare benefit program for 2018 for eligible participants including medical, dental, vision and basic life insurances; an Employee Assistance Program (EAP); a Wellness Advocacy Program; Accidental Death & Dismemberment (AD&D); and Short Term Disability (STD); and

BE IT FURTHER RESOLVED that the Board approves staff’s request to maintain all current providers and plan administrators including Blue Shield of California, United Health Care, Delta Dental, Vision Service Plan, Health Advocate, TASC and The Hartford as they are all competitive; and

BE IT FURTHER RESOLVED that the Board further approves staff’s request to maintain employee Health Risk Assessment programs and incentives in support of the Authority’s efforts to improve workplace productivity and decrease healthcare costs, which includes an incentive for eligible spousal or domestic partner participation in biometrics; and

BE IT FURTHER RESOLVED that the Board authorizes the President and CEO to perform any and all administrative assignments and/or transfers required to maintain the approved health and welfare benefits with the stated providers and/or their successors; and

BE IT FURTHER RESOLVED by the Board that it finds that this Board action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (California Public Resources Code §21065); and is not a "development" as defined by the California Coastal Act (California Public Resources Code §30106).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 7<sup>th</sup> day of September, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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TONY R. RUSSELL  
DIRECTOR, CORPORATE &  
INFORMATION GOVERNANCE /  
AUTHORITY CLERK

APPROVED AS TO FORM:

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AMY GONZALEZ  
GENERAL COUNSEL



# Renewal of the Health & Welfare Benefits Program for 2018

Presented by:

Kurt Gering | Director | Talent, Culture & Capability

Jesus Mendoza | Vice President | Willis Towers Watson

September 7, 2017

# Agenda

- Executive Summary
- Plan Renewal Analysis
  - Medical
  - Disability
  - Dental
  - Pre-Medicare Retiree
  - Medicare Enrolled Retiree
- Benchmarking
- Renewal Recommendation



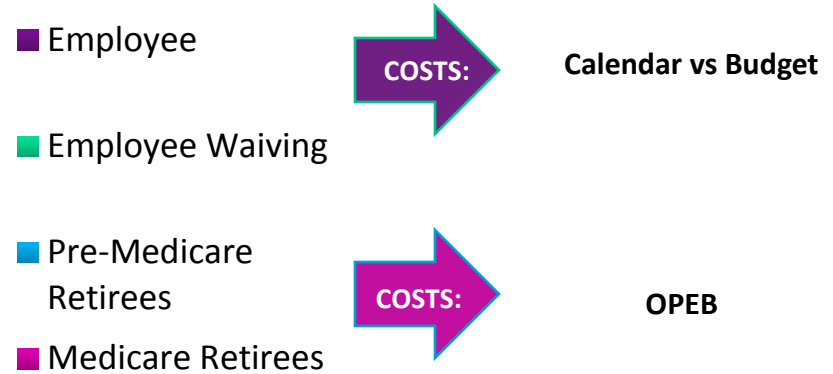
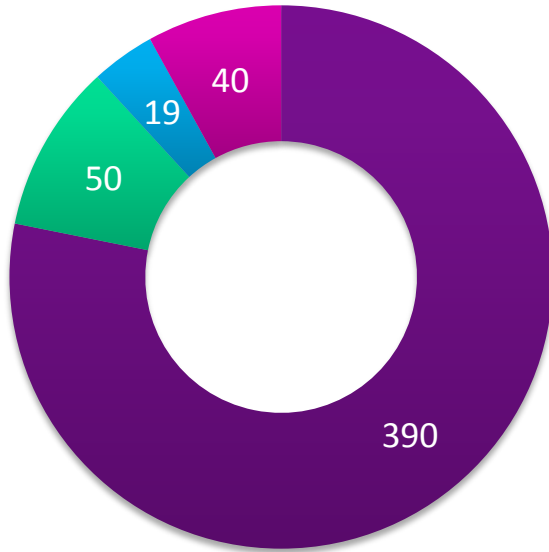
# Executive Summary



**SANDIEGO**  
INTERNATIONAL AIRPORT.  
LET'S GO.



# Medical Plan Enrollment



# Program Renewal Summary

	Current (2017)	Initial Renewal (2018)	%	Negotiated Renewal (2018)	%	RECOMMENDED (2018)	%
	Blue Shield	Blue Shield		Blue Shield		Blue Shield	
Medical	\$5,009,059	\$5,566,931	11.1%	\$5,455,842	8.9%	\$5,338,687	6.6%
	Anthem	Anthem		Anthem		Anthem	
Employee Assistance Plan	\$11,299	\$11,299	0.0%	\$11,299	0.0%	\$11,299	0.0%
	Delta Dental	Delta Dental		Delta Dental		Delta Dental	
Dental	\$401,484	\$401,484	0.0%	\$401,484	0.0%	\$401,484	0.0%
	The Hartford	The Hartford		The Hartford		The Hartford	
Basic Life/AD&D	\$90,780	\$90,780	0.0%	\$90,780	0.0%	\$90,780	0.0%
	The Hartford	The Hartford		The Hartford		The Hartford	
Short Term Disability	\$148,049	\$148,049	0.0%	\$148,049	0.0%	\$166,038	12.2%
	Health Advocate	Health Advocate		Health Advocate		Health Advocate	
Health Advocacy HealthAdvocate/Wellness	\$14,945	\$14,945	0.0%	\$14,945	0.0%	\$14,945	0.0%
<b>GRAND TOTAL<sup>1</sup></b>	<b>\$5,675,617</b>	<b>\$6,233,489</b>	<b>9.8%</b>	<b>\$6,122,400</b>	<b>7.9%</b>	<b>\$6,023,234</b>	<b>6.1%</b>
\$ Change from Current		\$557,872		\$446,783		\$347,618	
% Change from Current		9.8%		7.9%		6.1%	

<sup>1</sup>Grand total does not include all lines of coverage (e.g. voluntary vision, voluntary life/AD&D, voluntary LTD, Aflac, LTC, COBRA/FSA/HSA, LOA, etc.).

**Note: totals include active employees and budgeted positions.**

# Authority Paid Program Costs

Description	Current CY 2017 *	Recommended Renewal CY 2018 **	% Change	CY Budgeted 2018 Costs***	\$ Diff	% Diff
Medical	\$3,970,061	\$4,230,114	6.6%	\$4,358,136	(\$128,022)	-2.9%
Dental	\$323,552	\$323,552	0.0%	\$360,990	(\$37,438)	-10.4%
Other lines (Life, Disability, HealthAdvocate)	\$229,950	\$270,419	17.6%	\$245,314	\$25,105	10.2%
<b>TOTAL</b>	<b>\$4,523,563</b>	<b>\$4,824,085</b>	<b>6.64%</b>	<b>\$4,964,440</b>	<b>(\$140,355)</b>	<b>-2.83%</b>


\* Includes vacant positions all CY 2017

\*\* Includes employees that waive insurance

\*\*\* Wellness is included in current, renewal and budget, Medical amounts 109,250 for annual assumes everyone gets \$250

# Employee & Retiree Benefits Task Forces (June & July)

- 1. Reviewed medical plan renewals and options**
  - Assessed plan cost-drivers (e.g. experience & claims)
  - Reviewed mandatory plan changes
  - Reviewed benchmarking (cost, plan designs)
- 2. Discussed alternative option to maintain competitive benefits**
- 3. Discussed disability and leave options**
- 4. Learned about:**
  - Defined contribution structure
  - Voluntary (employee paid) plans
- 5. Provided feedback and Team recommendations to Executives**



# Medical Renewal Analysis Active Employees

# Medical Marketing Considerations

## Medical plans were not marketed because

- PPO/HDHP medical plan performance worse than expected
- There are several ongoing large claims
- Medical plans have been marketed every year for the past 4 years
- Prior to Blue Shield, Anthem Blue Cross plans in place for 20+ years
- First Blue Shield renewal after switch from Anthem Blue Cross
- Employees satisfied with Blue Shield; switch to new carrier would cause disruption

# Medical Renewal Summary

	NEGOTIATED RENEWAL (NO CHANGES)	RECOMMENDED (NO CHANGES + ADD TRIO HMO)
Number of Medical Plans Offered	3	4
Medical Plans Offered	HMO, PPO, HDHP	HMO, Trio HMO, PPO and HDHP
Changes to Current Medical Plans	No	No (Trio HMO plan to match current HMO)
<b>Total Annualized Premium</b>	<b>\$5,455,842</b>	<b>\$5,338,687</b>
<b>\$ Change from Current</b>	<b>\$446,783</b>	<b>\$329,628</b>
<b>% Change from Current</b>	<b>8.9%</b>	<b>6.6%</b>

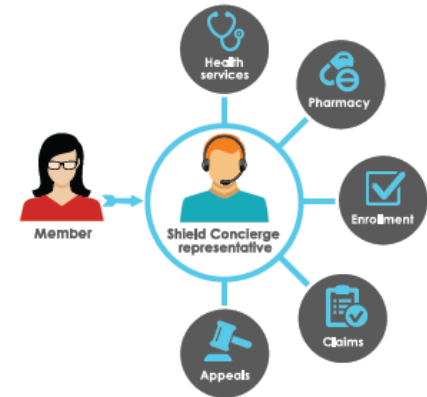
# Health Care Reform Fees & Taxes (5%)

	NEGOTIATED RENEWAL (NO CHANGES)	RECOMMENDED (NO CHANGES + ADD TRIO HMO)
<b>% Change from Current</b>	<b>8.9%</b>	<b>6.6%</b>
<b>% Change Net of ACA Fees</b>	<b>3.9%</b>	<b>1.6%</b>
Tax / Fee (SDCRAA)		Cost Impact
<b>Patient Centered Outcomes Research Institute Fee</b> (Research fund to measure clinical effectiveness)		\$2.37 PMPY (2016-2017) \$2.48 PMPY (2017-2018) TBD (2018-2019)
<b>Transitional Reinsurance Fee</b> (Stabilize premiums in individual marketplace due to removal of pre-existing condition clause)		No longer applies (2017)
<b>Fully Insured Fee</b> (Fund subsidies on Marketplace & Medicare expansion)		Suspended (2017) 4% (2018) Estimated 3% - 5% (2019)
<b>Managed Care Organization Tax (CA Specific)</b> (Provides funding for Medi-Cal)		\$2.18 PMPM (2017) \$2.21 PMPM (2018) \$2.23 PMPM (2019)



# Trio HMO

- **Trio**
  - Accountable care organization (ACO)
  - Collaboration between medical group, hospital and Blue Shield
  - Integrated model creates community of care to support improved health outcomes for members
  - Limits unnecessary expenses
- **What's best for the member**
  - PCP coordinates care
  - Links members to right services
  - Cross-organizational focus on complex needs
  - Reduced hospital re-admissions
- **Includes:**
  - White-glove member service “Shield Concierge”



# Medical Renewal Analysis (Active)

		Blue Shield				
				NEGOTIATED RENEWAL NO CHANGES	Assumed Enrollment <sup>3</sup>	RECOMMENDED ADD TRIO HMO
Enrollment <sup>1</sup>		CURRENT	INITIAL RENEWAL			
<b>ALL</b>		<b>Full Network HMO</b>				
Employee Only	124	\$561.85	\$623.85	\$611.38	95	\$611.38
Employee + Dependent	46	\$1,174.26	\$1,303.84	\$1,277.78	35	\$1,277.78
Employee + Family	83	\$1,674.31	\$1,859.07	\$1,821.91	64	\$1,821.91
<b>HMO Annualized Premium</b>	<b>253</b>	<b>\$3,151,837</b>	<b>\$3,499,642</b>	<b>\$3,429,690</b>	<b>194</b>	<b>\$2,632,868</b>
Enrollment <sup>1</sup>					Assumed Enrollment <sup>3</sup>	RECOMMENDED ADD TRIO HMO
		<b>TRIO HMO Option<sup>4</sup></b>				
Employee Only					29	\$521.49
Employee + Dependent					11	\$1,089.91
Employee + Family					19	\$1,554.04
<b>HMO Annualized Premium</b>					<b>59</b>	<b>\$679,668</b>
Enrollment <sup>1</sup>		CURRENT	INITIAL RENEWAL	NEGOTIATED RENEWAL NO CHANGES	Enrollment <sup>1</sup>	RECOMMENDED ADD TRIO HMO
		<b>PPO</b>				
Employee Only	82	\$773.97	\$862.01	\$844.77	82	\$844.77
Employee + Dependent	27	\$1,617.62	\$1,801.63	\$1,765.59	27	\$1,765.59
Employee + Family	16	\$2,306.45	\$2,568.81	\$2,517.44	16	\$2,517.44
<b>PPO Annualized Premium</b>	<b>125</b>	<b>\$1,728,534</b>	<b>\$1,925,157</b>	<b>\$1,886,653</b>	<b>125</b>	<b>\$1,886,653</b>
Enrollment <sup>1</sup>		CURRENT	INITIAL RENEWAL	NEGOTIATED RENEWAL NO CHANGES	Enrollment <sup>1</sup>	RECOMMENDED ADD TRIO HMO
		<b>HDHP -- Separate HSA Fund</b>				
Employee Only	10	\$653.55	\$727.89	\$713.33	10	\$713.33
Employee + Dependent	1	\$1,365.93	\$1,521.30	\$1,490.87	1	\$1,490.87
Employee + Family	1	\$1,947.58	\$2,169.11	\$2,125.72	1	\$2,125.72
<b>HDHP Annualized Premium</b>	<b>12</b>	<b>\$118,188</b>	<b>\$131,632</b>	<b>\$128,999</b>	<b>12</b>	<b>\$128,999</b>
<b>HSA Fund (\$750/\$1,500)</b>		<b>\$10,500</b>	<b>\$10,500</b>	<b>\$10,500</b>		<b>\$10,500</b>
<b>Total Annualized Premium</b>	<b>390</b>	<b>\$5,009,059</b>	<b>\$5,566,931</b>	<b>\$5,455,842</b>	<b>390</b>	<b>\$5,338,687</b>
<b>\$ Change from Current</b>			<b>\$557,872</b>	<b>\$446,783</b>		<b>\$329,628</b>
<b>% Change from Current</b>			<b>11.1%</b>	<b>8.9%</b>		<b>6.6%</b>

<sup>1</sup>Enrollment figures provided by Blue Shield with the renewal include active employees only. PPO Employee Only enrollment tier includes 39 budgeted positions.

<sup>2</sup>Proposed monthly premium rates are not final. Final rates are subject to Blue Shield UW approval and will vary slightly.

<sup>3</sup>Enrollment figures assume 23% of Full Network HMO participants migrate to Trio HMO. This assumption is based on current Full Network HMO enrollment in Trio HMO network.

<sup>4</sup>Trio HMO plan design mirrors current Full Network HMO plan design.

NOTE: \$30,000 wellness fund included with all renewal options presented.

# Medical Cost Share Analysis (Active)

	Blue Shield 01/01/2017 - 12/31/2017						Blue Shield (RECOMMENDED) 01/01/2018 - 12/31/2018			
	WELLNESS PARTICIPATION	Wellness 90% EE / 55% DEP		No Wellness 85% EE / 55% DEP			Wellness 90% EE / 55% DEP		No Wellness 85% EE / 55% DEP	
	82%	EE Monthly	ER Monthly	Enrollment	EE Monthly	ER Monthly	EE Monthly	ER Monthly	EE Monthly	ER Monthly
<b>Full Network HMO</b>	<b>Enrollment</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>Enrollment</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>ER Monthly</b>
Employee Only	78	\$56.19	\$505.67	17	\$84.28	\$477.57	\$61.14	\$550.24	\$91.71	\$519.67
Employee + One Dep	29	\$275.58	\$898.68	6	\$303.68	\$870.58	\$299.88	\$977.90	\$330.45	\$947.33
Employee + Family	52	\$500.61	\$1,173.70	12	\$528.70	\$1,145.61	\$544.74	\$1,277.17	\$575.31	\$1,246.60
<b>Annual Total</b>	<b>159</b>	<b>\$460,871</b>	<b>\$1,518,432</b>	<b>35</b>	<b>\$115,190</b>	<b>\$325,075</b>	<b>\$501,500</b>	<b>\$1,652,291</b>	<b>\$125,345</b>	<b>\$353,732</b>
<b>\$ Difference from Current</b>							<b>\$40,629</b>	<b>\$133,859</b>	<b>\$10,155</b>	<b>\$28,657</b>
							<b>TRIO HMO</b>			
<b>Full Network HMO</b>	<b>Enrollment</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>Enrollment</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>ER Monthly</b>
Employee Only	24	\$56.19	\$505.67	5	\$84.28	\$477.57	\$52.15	\$469.34	\$78.22	\$443.27
Employee + One Dep	9	\$275.58	\$898.68	2	\$303.68	\$870.58	\$255.79	\$834.12	\$281.86	\$808.05
Employee + Family	16	\$500.61	\$1,173.70	3	\$528.70	\$1,145.61	\$464.65	\$1,089.39	\$490.72	\$1,063.32
<b>Annual Total</b>	<b>49</b>	<b>\$142,061</b>	<b>\$468,039</b>	<b>10</b>	<b>\$31,378</b>	<b>\$90,790</b>	<b>\$131,856</b>	<b>\$434,419</b>	<b>\$29,124</b>	<b>\$84,269</b>
<b>PPO</b>	<b>Enrollment</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>Enrollment</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>ER Monthly</b>
Employee Only	67	\$77.40	\$696.57	15	\$116.10	\$657.87	\$84.48	\$760.29	\$126.72	\$718.05
Employee + One Dep	22	\$379.64	\$1,237.98	5	\$418.34	\$1,199.28	\$414.37	\$1,351.22	\$456.61	\$1,308.98
Employee + Family	13	\$689.62	\$1,616.83	3	\$728.31	\$1,578.14	\$752.70	\$1,764.74	\$794.94	\$1,722.50
<b>Annual Total</b>	<b>102</b>	<b>\$270,033</b>	<b>\$1,139,097</b>	<b>23</b>	<b>\$72,217</b>	<b>\$247,187</b>	<b>\$294,734</b>	<b>\$1,243,297</b>	<b>\$78,823</b>	<b>\$269,799</b>
<b>\$ Difference from Current</b>							<b>\$24,701</b>	<b>\$104,200</b>	<b>\$6,606</b>	<b>\$22,612</b>
<b>HDHP<sup>2</sup></b>	<b>Enrollment</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>Enrollment</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>ER Monthly</b>
Employee Only	8	\$71.61	\$644.45	2	\$107.41	\$608.64	\$77.58	\$698.25	\$116.37	\$659.46
Employee + One Dep	1	\$348.70	\$1,142.23	0	\$384.50	\$1,106.43	\$378.02	\$1,237.85	\$416.81	\$1,199.06
Employee + Family	1	\$610.44	\$1,462.14	0	\$646.24	\$1,426.34	\$663.70	\$1,587.02	\$702.49	\$1,548.23
<b>Annual Total</b>	<b>10</b>	<b>\$18,384</b>	<b>\$93,119</b>	<b>2</b>	<b>\$2,578</b>	<b>\$14,607</b>	<b>\$19,949</b>	<b>\$100,930</b>	<b>\$2,793</b>	<b>\$15,827</b>
<b>\$ Difference from Current</b>							<b>\$1,565</b>	<b>\$7,811</b>	<b>\$215</b>	<b>\$1,220</b>
		<b>Combined Employee Contribution</b>	<b>Combined Employer Contribution</b>		<b>Combined Employee Contribution</b>	<b>Combined Employer Contribution</b>	<b>Combined Employee Contribution</b>	<b>Combined Employer Contribution</b>	<b>Combined Employee Contribution</b>	<b>Combined Employer Contribution</b>
<b>COMBINED TOTAL</b>		<b>\$1,112,712</b>	<b>\$3,896,347</b>		<b>\$1,184,125</b>	<b>\$4,154,563</b>	<b>\$1,184,125</b>	<b>\$4,154,563</b>	<b>\$1,184,125</b>	<b>\$4,154,563</b>
<b>\$ Difference from Current</b>					<b>\$71,413</b>	<b>\$258,216</b>	<b>\$71,413</b>	<b>\$258,216</b>	<b>\$71,413</b>	<b>\$258,216</b>
<b>% Difference from Current</b>					<b>6.4%</b>	<b>6.6%</b>	<b>6.4%</b>	<b>6.6%</b>	<b>6.4%</b>	<b>6.6%</b>

<sup>1</sup> Enrollment figures provided by Blue Shield with the renewal include active employees only. PPO Employee Only tier includes 39 budgeted positions.

<sup>2</sup> HDHP monthly premium includes HSA fund amount of \$750 Indiv / \$1,500 Family.

# Mandatory Medical Plan Changes

MANDATORY PLAN CHANGES			
MEDICAL PLAN	CURRENT BENEFIT	DESCRIPTION OF CHANGE	MANDATORY CHANGE
<b>HDHP</b>	\$1,500 Individual \$2,600 Individual in Family \$3,000 Family	IRS calendar year 2018 inflation adjusted amount for HSA-qualifying HDHPs	\$1,500 Individual <b>\$2,700</b> Individual in Family \$3,000 Family

# Employee Wellness

**Mission: SDCRAA's wellbeing program aim is to improve physical, emotional, financial, and social health while enhancing employee productivity**

Biometric screening incentives and participation:

	2015	2016	% change
# of screenings	417	431	3.4% increase





- 5% reduction in premium costs
- Deposit into an FSA/HSA or 457 account
  - Employees = \$250
  - Spouse/Domestic Partner = \$200

# Value On Investment (VOI) Evaluates the Total Overall Benefits of SDCRAA's Wellness Programs

Type of Program	SDCRAA Target Population	Program Utilization	Impact on Medical Claims
<p><b>Wellness programs</b> aimed at improving physical, emotional, financial, and social health</p> <ul style="list-style-type: none"> <li>• Health Advocate Platform</li> <li>• Employee Driven Activities</li> </ul>	ALL employees and spouses	<ul style="list-style-type: none"> <li>• 441 members used 1 or more wellness features</li> <li>• 192 members using more than one tracking device</li> <li>• 44 members interacted with a wellness coach</li> <li>• 92 members participated in wellness challenge</li> </ul>	Little impact on short term medical claims costs
<p><b>Medical Management</b> programs aimed to better coordinate care of those with chronic conditions</p> <ul style="list-style-type: none"> <li>• Diabetes</li> <li>• Asthma</li> <li>• Heart failure</li> </ul>	High risk portion of covered population	Program utilization data is not available from Blue Shield	Should lower short term medical claims costs; being addressed by Blue Shield

# Employee Wellness

## Summary of Top Risk Areas:

	2014	2015	2016	Trend
Body Mass Index (BMI)	74.5%	72.3%	75.9%	
Blood Pressure	71.4%	66.7%	57.5%	
Total Cholesterol	46.3%	31.2%	26.8%	
Blood Glucose	16.4%	12.0%	11.6%	

# Disability Renewal Analysis



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# Disability Modernization Considerations

## Short term disability plan considerations:

- Income replacement ratio (50%) is below benchmark
  - Benchmark 60% (all industries)
- Income replacement ratio (50%) is below California short term disability Insurance program (CA SDI)
  - 2017 – 55%
  - 2018 – 60% (70% for low wage earners)
- Changing workforce
  - Millennials (Gen Y) have surpassed Baby Boomers as the nation's largest living generation<sup>1</sup>
- Attraction and retention tool

1. Pew Research Center: Millennials overtake Baby Boomers as America's largest generation (April 25, 2016)

# Disability Renewal Analysis

		The Hartford Current / Renewal		CA SDI 2018	RECOMMENDED
<b>Short Term Disability (STD)</b>					
% of Covered Weekly Earnings		50%		60% to 70% <sup>2</sup>	60%
Benefit \$ Maximum		\$1,600		\$1,216	\$1,600
Benefits Waiting Period (accident/sickenss)		0 day / 14 days		6 days / 6 days	6 days / 6 days
Maximum Benefit Duration		26 weeks		52 weeks	26 weeks
<b>STD</b>	<b>Volume<sup>1,3</sup></b>	<b>Current</b>	<b>Renewal</b>		<b>RECOMMENDED</b>
STD (per \$10 weekly benefit)	\$324,669	\$0.380	\$0.380	N/A	\$0.360
<b>Annual Total</b>		<b>\$148,049</b>	<b>\$148,049</b>		<b>\$166,038</b>
<b>\$ Change from Current</b>	<b>New Volume<sup>1,3</sup></b>		<b>\$0</b>		<b>\$17,989</b>
<b>% Change from Current</b>	\$384,348		<b>0.0%</b>	<b>12.2%</b>	
<b>Rate Guarantee</b>			<b>1 Year</b>		<b>1 Year</b>

<sup>1</sup>Volume and premium based on data from the Hartford (July 2017).

<sup>2</sup>Percentage of earnings is 70% for those earning under \$24,000/year.

<sup>3</sup>STD volumes include 39 budgeted positions. Average salary (\$78,000) provided by The Hartford.


**Green** = Enhancement and **Red** = Takeaway

# Dental Renewal Analysis

# Dental Renewal Analysis

		Delta Dental 01/01/2018 - 12/31/2018			Dental Dental 01/01/2018 - 12/31/2018			
Dental PPO	Enrollment <sup>1</sup>	Monthly Premium	EE Monthly	ER Monthly	Monthly Premium	EE Monthly	EE Monthly Difference	ER Monthly
Employee Only	175	\$58.83	\$0.00	\$58.83	\$58.83	\$0.00	\$0.00	\$58.83
Employee + One Dep	77	\$105.63	\$21.06	\$84.57	\$105.63	\$21.06	\$0.00	\$84.57
Employee + Family	88	\$143.63	\$38.16	\$105.47	\$143.63	\$38.16	\$0.00	\$105.47
<b>Annual Total</b>	<b>340</b>	<b>\$372,818</b>	<b>\$59,756</b>	<b>\$313,062</b>	<b>\$372,818</b>	<b>\$59,756</b>	<b>\$0</b>	<b>\$313,062</b>
<b>Dental HMO</b>								
Employee Only	40	\$18.86	\$0.00	\$18.86	\$18.86	\$0.00	\$0.00	\$18.86
Employee + One Dep	17	\$31.16	\$5.53	\$25.63	\$31.16	\$5.53	\$0.00	\$25.63
Employee + Family	24	\$46.03	\$12.23	\$33.80	\$46.03	\$12.23	\$0.00	\$33.80
<b>Annual Total</b>	<b>81</b>	<b>\$28,666</b>	<b>\$4,650</b>	<b>\$24,016</b>	<b>\$28,666</b>	<b>\$4,650</b>	<b>\$0</b>	<b>\$24,016</b>
<b>COMBINED TOTAL</b>	<b>421</b>	<b>\$401,484</b>	<b>\$64,407</b>	<b>\$337,078</b>	<b>\$401,484</b>	<b>\$64,407</b>		<b>\$337,078</b>
<b>\$ Difference from Current</b>					<b>\$0</b>	<b>\$0</b>		<b>(\$0)</b>
<b>% Difference from Current</b>					<b>0.0%</b>	<b>0.0%</b>		<b>0.0%</b>

<sup>1</sup>Enrollment figures provided by Delta Dental include active employees only. Dental PPO Employee Only tier includes 39 budgeted positions.




# Medical Renewal Analysis Pre-Medicare Retirees



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# Medical Renewal Analysis Medicare Enrolled

# Medical Renewal Analysis (Medicare Retirees)

		UnitedHealthcare 01/01/2018 - 12/31/2018	
		CURRENT	RENEWAL
Medicare Advantage PPO	Enrollment <sup>1</sup>	Monthly Premium	Monthly Premium
Medicare Retiree	40	\$418.82	\$478.82
Annual Total	40	\$201,034	\$229,834
\$ Difference from Current			
% Difference from Current			
<b>TOTAL</b>	<b>40</b>	<b>\$201,034</b>	<b>\$229,834</b>
\$ Difference from Current			\$28,800
% Difference from Current			14.3%

<sup>1</sup>Enrollment figures provided by UnitedHealthcare with the renewal.

## Health Care Reform Taxes (10%)

	RENEWAL (NO CHANGES)
% Change from Current	14.3%
% Change Net of ACA Fees	4.3%

Note: the Insurer Fee on Medicare Advantage plans applies to both the premium that the plan sponsor pays, as well as the revenue from CMS, which differs from plans for pre-Medicare retirees.

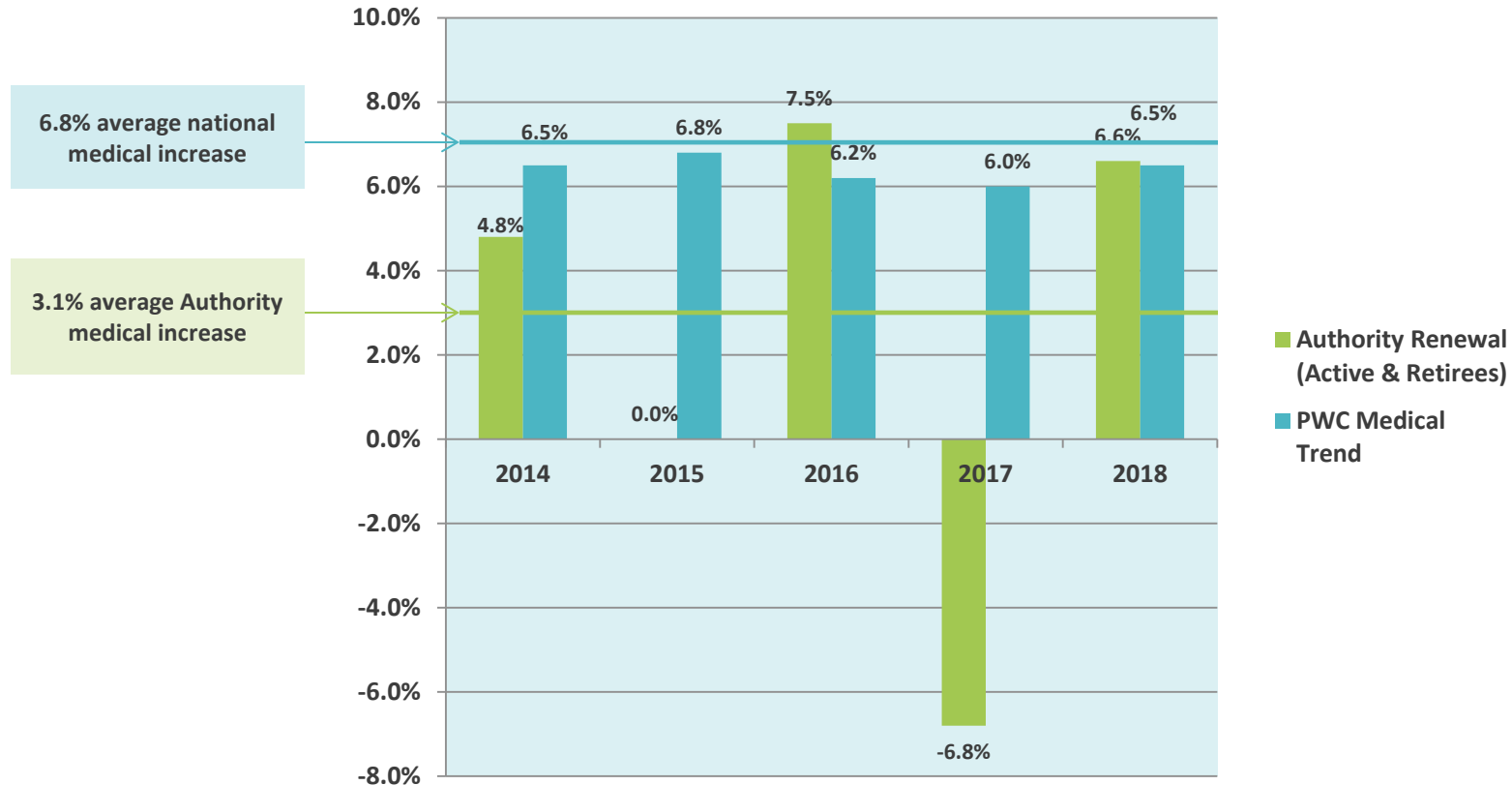




# Benchmarking

# 5 Year Review

## % Health Benefit Renewal Increase vs. Trend



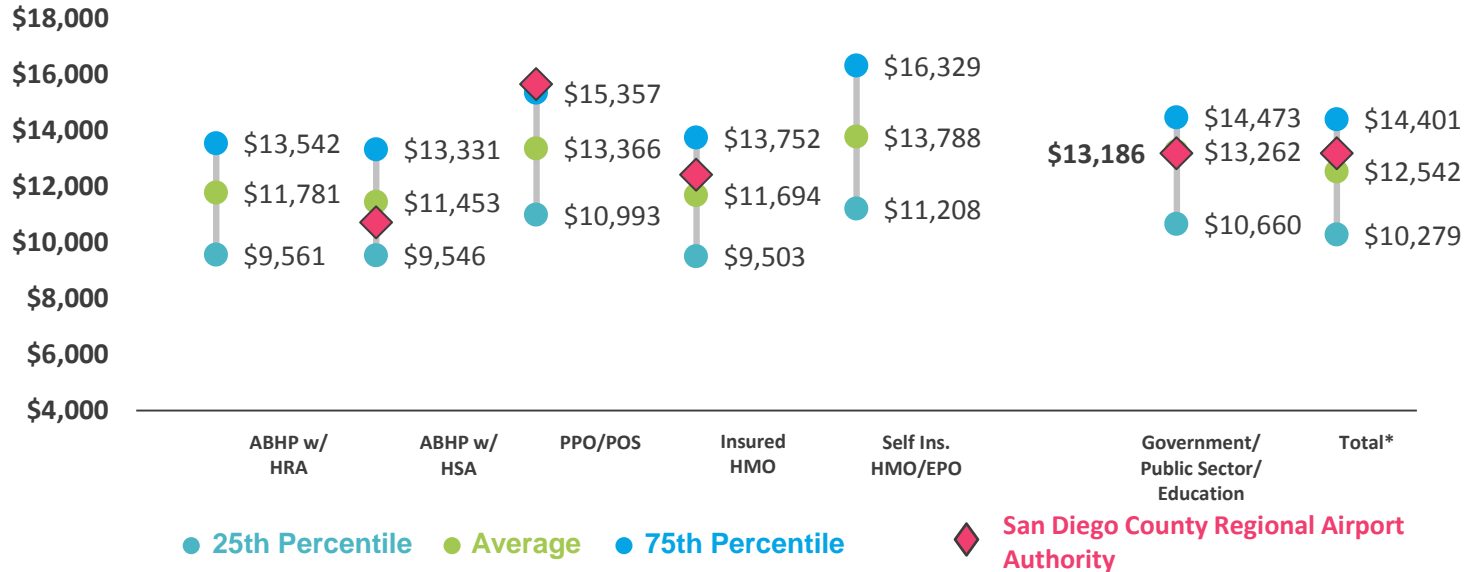
Source: U.S. Medical trend data provided by PWC Health Research Institute

# Medical Cost Benchmarks

## Total Cost per Covered Employee per Year



How do your plan costs compare? How does enrollment across plan type impact the average cost? Even if total plan costs are favorable, are some plans more exposed to the excise tax?



SDCRAA's actual costs are 1% below the Government/Public Sector/Education industry average and 5% above the general benchmark average.

\*Total costs represent an enrollment weighted average of all plan types.



# Renewal Recommendation



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# Recommendation Summary

## **Active Employees:**

- Blue Shield of California (HMO, Trio HMO, PPO, HDHP)
- \$30K wellness credit from Blue Shield of California
- 10% Wellness / 15% Non-Wellness Cost share
- Continue wellness program and incentives
- Modernize The Hartford Short Term Disability

## **Pre-Medicare Retirees:**

- Blue Shield of California (HMO, Trio HMO, PPO, HDHP)

## **Medicare Retirees:**

- United Healthcare (PPO)

## **All other lines maintained with current providers:**

- Delta Dental
- VSP Vision Care
- The Hartford Basic Life/AD&D
- Anthem EAP
- The Health Advocate



# Questions?

● Ticketing  
U.S. Airways

## **STAFF REPORT**

Meeting Date: **SEPTEMBER 7, 2017**

### **Subject:**

### **Authorize a Waiver of Seasonal Air Service Incentive Program Requirements for Edelweiss Air**

#### **Recommendation:**

Adopt Resolution No. 2017-0080, authorizing a waiver of Seasonal Air Service Incentive Program Requirements for Edelweiss Air.

#### **Background/Justification:**

Based on the success of the year-round International Air Service Incentive Program (IASIP) in attracting British Airways and Japan Airlines to San Diego, the Board authorized the creation of a Seasonal International Air Service Incentive Program (SIASIP) in April 2016 to capitalize on opportunities to tap into the growing market for seasonal international air service.

The SIASIP established incentives based on two factors: the number of frequencies offered per season and the number of seasons the airline was willing to commit to serve San Diego International Airport. The minimum number of frequencies for service was established at 40 roundtrips per season and the minimum number of seasons to qualify for service was one season. Service was incentivized for a maximum of three seasons, which is based on guidance from the Federal Aviation Administration. The table of incentives available to seasonal carriers is attached to this report as Exhibit 1. As Exhibit 1 illustrates the SIASIP program offers greater incentives for those airlines that invest the most in number of frequencies per season and number of seasons committed.

Two airlines applied for SIASIP incentives in the first year: Condor and Edelweiss Air. Edelweiss Air committed to operate for the maximum number of seasons available for incentives, which was three seasons over three years. In the first season (Summer 2017), Edelweiss Air committed to operate 42 rotations. Edelweiss Air's July 2016 letter of commitment and application to the program are attached to this report as Exhibit 2. Based on Edelweiss Air's commitment, the airport agreed to provide up to \$85,000 in marketing assistance and 50% landing fee credits in the first season (2017).

As the Edelweiss schedule further developed from July 2016 into the summer of 2017, an aircraft in the fleet went into an unplanned maintenance cycle leaving no available aircraft to commence San Diego earlier than planned. With the aircraft shortage Edelweiss was only able to schedule 30 rotations for summer 2017. The aircraft availability issue also impacted the carrier's ability to schedule flights further into the autumn of 2017. Unlike other markets, only one aircraft-type in the Edelweiss fleet can perform the San Diego – Zürich route. The filed schedule appears as Exhibit 3. On May 23, 2017 staff advised Edelweiss Air that the minimum number of frequencies would not be met with 30 rotations. Edelweiss communicated to staff that the aircraft shortage referenced above impacted their ability to comply with their original commitment. On June 27, 2017, the CEO of Edelweiss Air, Mr. Bernd Bauer addressed a letter to request a waiver of the first year minimum frequency requirements. This letter appears as Exhibit 4.

In the letter, the CEO reiterates Edelweiss' commitment to the market by indicating they have scheduled 58 San Diego – Zürich rotations for summer 2018 and have the potential to increase this to 64 rotations. The 58 rotation scenario would be 18 rotations more than the minimum required of 40.

Staff considered several options to address the Edelweiss Air situation including prorating the first year incentive to reflect the service deficiency, however after reviewing options, staff determined that Edelweiss should be granted the first full year incentive (\$85,000 in marketing and \$13,800 in landing credits) provided they operate a minimum of 50 rotations in the summer 2018. This solution would guarantee a minimum of 40 rotations in the summer of 2018 and compensate for the ten rotations not offered in the summer of 2017. The ten rotations to compensate for the 2017 shortfall would not be included in the computation of Edelweiss Air's second season (2018) incentive.

This recommendation was based on the following key factors:

- Edelweiss Air's inability to comply with the frequency requirement was a result of an unplanned maintenance event that prevented the airline from advancing and extending the San Diego – Zürich schedule in summer 2017.
- The letter from Edelweiss Air's CEO represents a re-commitment of service as a result of the maintenance issue and a promise to perform between 58-64 rotations in the summer 2018. This more than compensates for the shortfall in the summer of 2017.
- It is estimated the Authority will not only recoup its invested funds over the course of the incentive term of three years, but will end the three year program with a net gain of more than \$100,000 due to Edelweiss enplanement revenue.
- The purpose of an incentive program is to demonstrate to an airline that an airport is willing to share start-up risks. Edelweiss has made a large (multi-million dollar) investment in aircraft time plus marketing expenses. Without airport incentives, the airline is burdened with all the financial risk (operational and marketing). Granting this waiver would allow Edelweiss to remain in the incentive program and continue its investment in the San Diego community.
- Marketing costs do not vary greatly based on frequencies – an airline's cost to market 30 flights is the essentially the same as marketing 40 flights. Marketing costs are not directly scalable to the number of seats available.



The waiver requires Edelweiss to reach the minimum frequency levels over three (3) years. Granting this waiver allows the airline an additional year to come into compliance with the minimum frequency requirement (40 frequencies x 2 years = 80 total frequencies). The airline will also be required to schedule at least 40 frequencies in year three (2019) for a grand total of 120 frequencies.

Should Edelweiss Air not achieve the minimum 120 roundtrip frequencies over the three year term of the program, the Authority shall be reimbursed for all incentives paid to the carrier.

**Fiscal Impact:**

Incentives for Edelweiss Air have already been budgeted in FY 2017 and FY 2018. The incentives would be paid if the waiver is granted. If the waiver is not granted, the incentives would not be paid. Edelweiss incentives are projected to equal approximately \$150k (consisting of marketing funds and landing credits) over three years. This contrasts with the revenue contribution of Edelweiss enplanements over three years of more than \$255,000 (revenue per enplanement x estimated enplanements). Even with the reduced number of rotations in the first year, the expected enplanement revenue from the incentive term (3 years) would contribute a net total of approximately \$100,000 to airport revenues after subtracting incentive costs.

**Authority Strategies:**

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
  
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Application of Inclusionary Policies:**

Not applicable

**Prepared by:**

HAMPTON BROWN  
SENIOR DIRECTOR, AIR SERVICE DEVELOPMENT

# EXHIBIT 1

## SIASIP INCENTIVE TABLES

### MARKETING INCENTIVE

#### 3 YEAR COMMITMENT OR MORE

RT OPERATIONS / SEASON	40-50	51-75	76-100	>100
Marketing Funds Year 1	\$85,000	\$112,500	\$150,000	\$200,000
Marketing Funds Year 2	\$42,500	\$56,250	\$75,000	\$100,000
Marketing Funds Year 3	\$0	\$0	\$0	\$0

#### 2 YEAR COMMITMENT

RT OPERATIONS / SEASON	40-50	51-75	76-100	>100
Marketing Funds Year 1	\$63,281	\$84,375	\$112,500	\$150,000
Marketing Funds Year 2	\$31,641	\$42,188	\$56,250	\$75,000

#### 1 YEAR COMMITMENT

RT OPERATIONS / SEASON	40-50	51-75	76-100	>100
Marketing Funds Year 1	\$47,461	\$63,281	\$84,375	\$112,500

### LANDING FEE CREDIT

3 Year Commitment	% Landing Fee Discount
Year 1	50%
Year 2	25%
Year 3	None

2 Year Commitment	% Landing Fee Discount
Year 1	25%
Year 2	None

1 Year Commitment	% Landing Fee Discount
Year 1	None

# EXHIBIT 2

**SAN DIEGO INTERNATIONAL AIRPORT  
INCENTIVE PROGRAM APPLICATION FORM**

Date of Application:	7 July 2016		
Airline:	Edelweiss Air	IATA:	WK
Billing Address:	Operation Center 1 P.O. Box 8058 Zurich Airport, Switzerland		
Contact Person:	Benedikt Escher		
Phone:	+41 43 456 5504		
E-Mail:	benedikt.escher@ <del>edelweiss</del> flyedelweiss.com		
Fax:	n/a		
Proposed Route:	ZRH-SAN-ZRH		
Aircraft Type:	Airbus A340-300	Seat Capacity:	270, 2877 = 314
Incentive Program Choice:	North American: <input type="checkbox"/> International Year-Round (IASIP): <input type="checkbox"/> International Seasonal (SIASIP)*: <input checked="" type="checkbox"/> Number of Season (Years): <u>3</u>		
Annual / Seasonal Frequencies:	42 (Y1) ~58 (Y2-3)	Service Start Date: 06/09/2017 MM/DD/YYYY	New Carrier?: <input checked="" type="radio"/> Yes <input type="radio"/> No
Airport Use Only	Program Multiplier:		Total Incentive

\* SIASIP applicants must also submit a letter of intent on corporate letterhead outlining details of seasonal international service. This should include the number of seasons (years) the airline intends to serve the route.

Benedikt Escher

Corporate Development

Name

Title



7 July 2016

Signature

Date

Michael TRESTE  
CTO



**San Diego County Regional Airport Authority**

Mr. Hampton Brown  
PO BOX 82776  
San Diego, CA 92148  
USA

**Your Contact** Benedikt Escher, benedikt.escher@flyedelweiss.com, +41 43 456 55 04  
**Date** 26 July 2016

**Subject** **Letter of Intent to serve the new airline route Zurich-San Diego**

Dear Mr. Brown

It is our pleasure to formally announce our intention to serve the airline route Zurich-San Diego-Zurich non-stop on a seasonal basis starting in June 2017.

We intend to serve this route during at least 3 years as a basis for the calculation of the planned incentives provided by SAN Airport and other relevant authorities.

Our initial frequency will be twice-weekly during the months of June-October with a possible extension until November. We plan 42 rotations during the first year and estimate an increase to approx. 56 rotations each in years two and three. The flights are scheduled to be operated by an Edelweiss Air Airbus A340-300 with a total of 314 seats.

We look forward to further collaborating with our partners in SAN.

**Kind regards**

A handwritten signature in black ink, appearing to read "Trestl", written over a white background.

**Dr. Michael Trestl**  
Head of Corporate Development

A handwritten signature in blue ink, appearing to read "Escher", written over a white background.

**Benedikt Escher**  
Corporate Development

### EXHIBIT 3

**Schedule Monthly Summary Report for WK Passenger (Air - All) flights  
from SAN to ZRH for travel for year ending December 2017**

*All statistics given are  
per year.*

<b>Airline</b>	<b>Airline Code</b>	<b>Orig</b>	<b>Dest</b>	<b>Flights</b>	<b>Seats</b>
Edelweiss Air	WK	SAN	ZRH	30	9,420
			TOTAL	30	9,420



**San Diego County Regional Airport Authority**  
Board of Directors  
PO BOX 82776  
San Diego, CA 92138  
USA

**Your contact** Benedikt Escher, benedikt.escher@flyedelweiss.com, +41 43 456 55 04  
**Date** 27.06.2017

**RE: Waiver request for incentive payment**

Dear Sir or Madam

It has been brought to our attention by Mr Hampton Brown that the agreed incentive program between San Diego International Airport and Edelweiss Air could face a challenge given the slightly lower than originally planned number of rotations in our first year of operation to SAN.

We kindly ask you to approve the continued execution of the agreed 2-year incentive deal even though the number of our flights in 2017 has turned out to be below the initially agreed 40 rotations. We have only been able to schedule 30 rotations this year due to fleet availability and rotation planning issues. However, in 2018 this shortfall will be more than compensated by the currently planned 58 rotations which might be further increased to 64, as we expect the delivery of our next growth aircraft to take place earlier than planned. We would thereby extend our operating season to SAN to April through November.

As the launch of the destination SAN has proven to be quite challenging with bookings far below expectations, and as the market capacity will further grow in 2018, we count on your continued support towards making the ZRH-SAN route a sustainable success for all parties.

**Yours sincerely**

A handwritten signature in blue ink, appearing to be "B. Bauer", is written over a light blue horizontal line.

**Bernd Bauer**  
Chief Executive Officer

**Edelweiss Air AG**  
Operation Center 1  
P.O. Box  
8058 Zurich Airport  
Switzerland

P +41 43 456 50 00  
F +41 43 456 50 01  
info@flyedelweiss.com  
flyedelweiss.com

RESOLUTION NO. 2017-0080

A RESOLUTION OF THE BOARD OF THE  
SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY AUTHORIZING A WAIVER OF  
SEASONAL AIR SERVICE INCENTIVE PROGRAM  
REQUIREMENTS FOR EDELWEISS AIR

WHEREAS, the Authority instituted the Seasonal International Air Service Incentive Program ("SIASIP") in April 2016 to attract seasonal air service between San Diego International Airport ("Airport") and unserved destinations; and

WHEREAS, the SIASIP has a minimum seasonal frequency requirement for participation; and

WHEREAS, the Authority is in receipt of a request from Edelweiss Air ("Edelweiss") for relief from the minimum frequency requirement in the first year due to an unanticipated prolonged fleet maintenance issue, which has impacted its ability to comply with the minimum frequency condition of the SIASIP, and

WHEREAS, Edelweiss has promised to make up the first year frequency deficit in the second year of the program, and

WHEREAS, the Authority expect to gain financially from the presence of Edelweiss service even after incentives are included, and

WHEREAS, should Edelweiss Air not achieve the minimum 120 round trip frequencies over the first three year term of the SIASIP, the Authority shall be reimbursed for all incentives paid to the carrier.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby authorizes a Waiver of Seasonal Air Service Incentive Program Requirements for Edelweiss Air; and

BE IT FURTHER RESOLVED that should Edelweiss Air not achieve the minimum 120 round trip frequencies over the first three year term of the SIASIP, the Authority shall be reimbursed for all incentives paid to the carrier.

BE IT FURTHER RESOLVED the Board finds this Board action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (Cal. Pub. Res. Code §21065); and is not a "development" as defined by the California Coastal Act (Cal. Pub. Res. Code §30106).



PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 7<sup>th</sup> day of September, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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TONY R. RUSSELL  
DIRECTOR, CORPORATE &  
INFORMATION GOVERNANCE /  
AUTHORITY CLERK

APPROVED AS TO FORM:

---

AMY GONZALEZ  
GENERAL COUNSEL



**SAN DIEGO**  
INTERNATIONAL AIRPORT

LET'S **GO.**

# Authorize a Waiver of Seasonal Air Service Incentive Program Requirements for Edelweiss Air

Hampton Brown  
Senior Director Air Service Development

September 7, 2017

# Edelweiss Timeline

- **Jun 2016:** Airline announces SAN-ZRH to commence in June 2017
- **Sep 2016:** Airline indicates service could start in May 2017
- **Mar 2017:** Visit of Edelweiss to San Diego – confirmation of June start
- **May 2017:** Communication to Edelweiss regarding frequency levels
- **Jun 2017:** Airline communicates fleet development issues have impacted ability to schedule SAN earlier and later in season. Edelweiss requests a waiver, proposing to address 2017 frequency deficit in 2018.

# Edelweiss Air has requested a Waiver of Seasonal International Air Service Incentive Program (SIASIP) Requirements

**Edelweiss Air committed to at least 40 rotations / year over three years**

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>TOTAL</b>
<b>Program requirement</b>	40 roundtrips	40 roundtrips	40 roundtrips	120
<b>Edelweiss commitment (of July 2016)</b>	42 roundtrips	56 roundtrips	56 roundtrips	154

# Edelweiss has proposed a Plan to compensate for the Frequency Deficit by scheduling 58-64 Frequencies in Summer 2018

## Edelweiss Air plan to catch-up on Frequencies

	2017	2018	2019
Program requirement	40 or more roundtrips	40 or more roundtrips	40 or more roundtrips
Edelweiss Plan to catch-up	30 roundtrips	58-64 roundtrips	40 or more roundtrips*

\* - Exact number of roundtrips for 2019 will be outlined in 2018

# Maintenance and Fleet Issues impacted Edelweiss Air's Ability to schedule the required Number of Frequencies in the Summer 2017

- **Edelweiss was only able to schedule 30 frequencies in 2017**
- **Only four (4) widebody aircraft in fleet and only two (2) of which can perform SAN-ZRH**
- **One aircraft went into a unplanned heavy maintenance period, which impacted scheduling flexibility**

# Edelweiss - Four Widebody Aircraft

*Because San Diego is limited to one Aircraft-Type  
it will be more impacted by unforeseen Fleet Issues*

Zürich Market	A340-300 (2)	A330-300 (2)
Calgary (YYC)	✓	✓
Cancun (CUN)	✓	✓
Havana (HAV)	✓	✓
Las Vegas	✓	✓
Male (MLE)*	✓	✓
Mauritius (MRU)*	✓	✓
Punta Cana (PUJ)	✓	✓
Rio de Janeiro (GIG)	✓	✓
San Diego (SAN)	✓	X
San Jose (SJO)	✓	X
Tampa (TPA)	✓	✓
Vancouver (YVR)	✓	✓

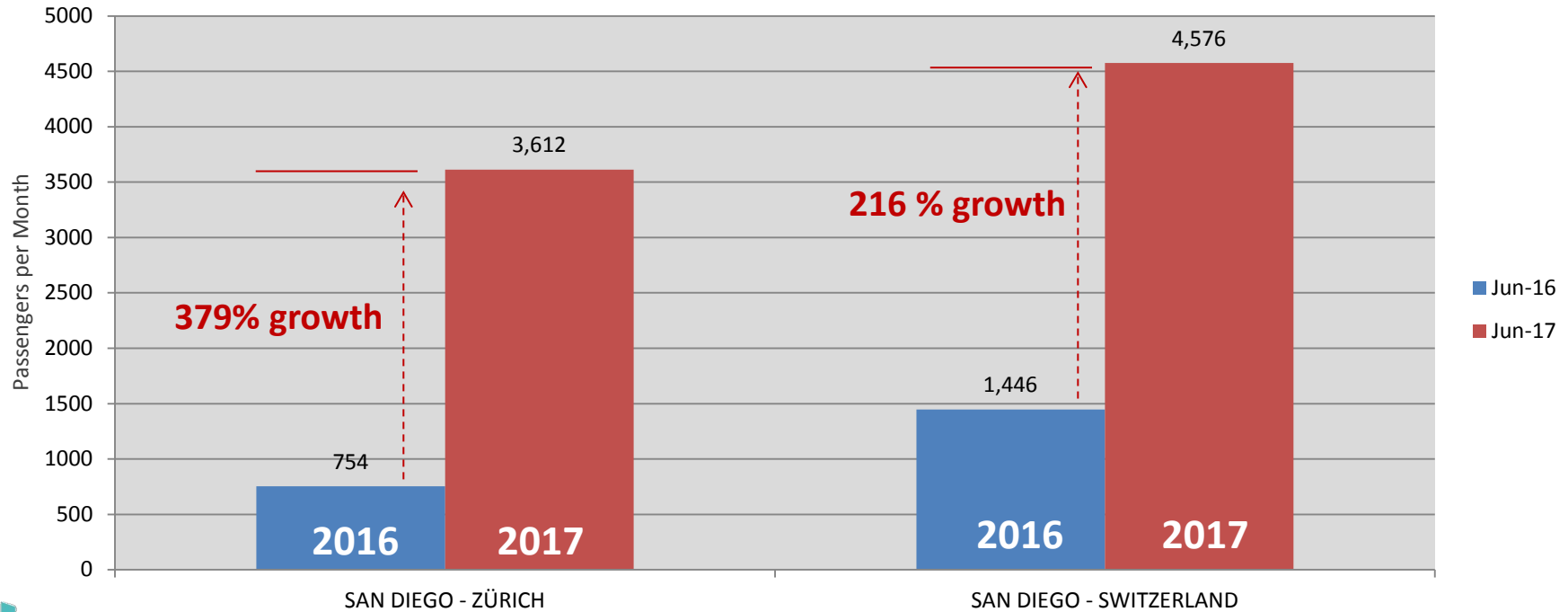
✓ Suitable aircraft  
X Incompatible aircraft

- Male and Mauritius in September only

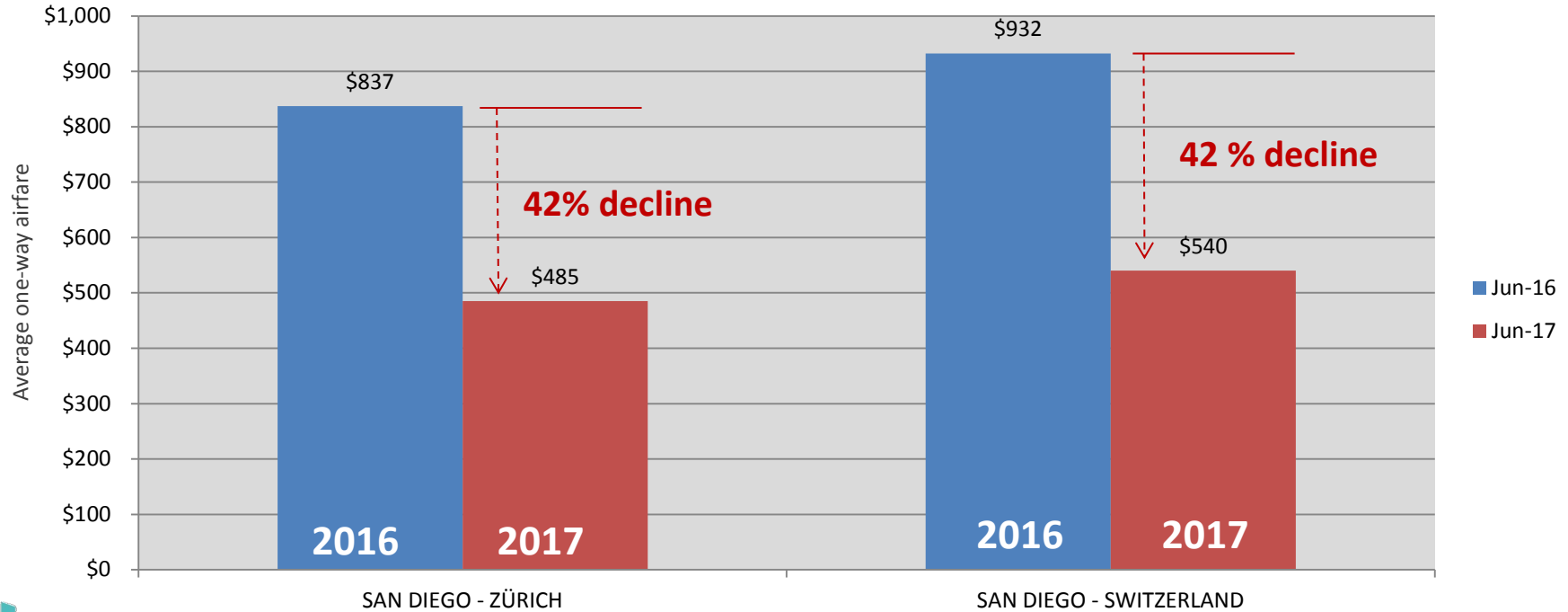
# Edelweiss Service to San Diego is having an Impact



# Edelweiss is stimulating the San Diego - Zürich and San Diego - Switzerland Market



# San Diego - Zürich and San Diego - Switzerland average airfares have dropped since Edelweiss started service



# Resolution of Frequency Deficit

# Our Recommendation

- Allow Edelweiss the time to meet the 120 frequency requirement over the three-year term of the program by making up 10 frequency deficit in 2018 and schedule at least 40 frequencies in 2019
- If Edelweiss does not meet the minimum frequency requirements, Edelweiss will be required to reimburse the Authority all incentives paid.

# Under the proposed Resolution, the Authority recoups its Investment and realizes a net gain in Revenue in the second Season

## SHORTFALL MAKEUP

	2017	2018	2019	Notes
Roundtrip Frequencies / Rotations	30	50	40	
Seats	9,420	15,700	12,560	
Load Factor	65%	70%	70%	
Enplanements	6,104	10,990	8,792	
Rev. per I EPAX	\$9.57	\$9.86	\$10.15	Growth 3% per precedent
<i>Non-Airline Revenue Contribution</i>	<i>\$58,404</i>	<i>\$108,308</i>	<i>\$89,246</i>	
<i>Marketing Incentive Cost</i>	<i>(\$85,000)</i>	<i>(\$42,500)</i>	<i>\$0</i>	<i>Incentivized in 2018 based on 40 frequencies only</i>
Max Landed Weight / Landing	423	423	423	
Total Landed Weight	12,699	21,164	16,931	
Landing Fee	2.18	2.42	3.14	
<i>Landing Fee Incentive</i>	<i>(\$13,854)</i>	<i>(\$12,804)</i>	<i>\$0</i>	
<i>% landing fee rebate per program</i>	<i>50%</i>	<i>25%</i>	<i>0%</i>	
<b>Net Gain / Loss</b>	<b>(\$40,450)</b>	<b>\$53,004</b>	<b>\$89,246</b>	
<b>TOTAL Revenue Gain Loss (3 years)</b>			<b>\$101,799</b>	

**Authority pays less in overall incentives because Edelweiss did not fully utilize Landing Fee Incentive in first year (2017)**

A low-angle photograph of a modern airport terminal building, featuring a prominent teal overlay on the left side. The building has a complex, multi-tiered structure with large glass windows and concrete pillars. The sky is bright and clear. In the bottom left corner, there is a sign for "Ticketing" and "U.S. Airways".

Questions?



# Acceptance of the Unaudited Financial Statements for the Twelve Months Ended June 30, 2017 and 2016

Presented by:

Scott Brickner, CPA

Vice President, Finance and Asset Management/Treasurer

Kathy Kiefer

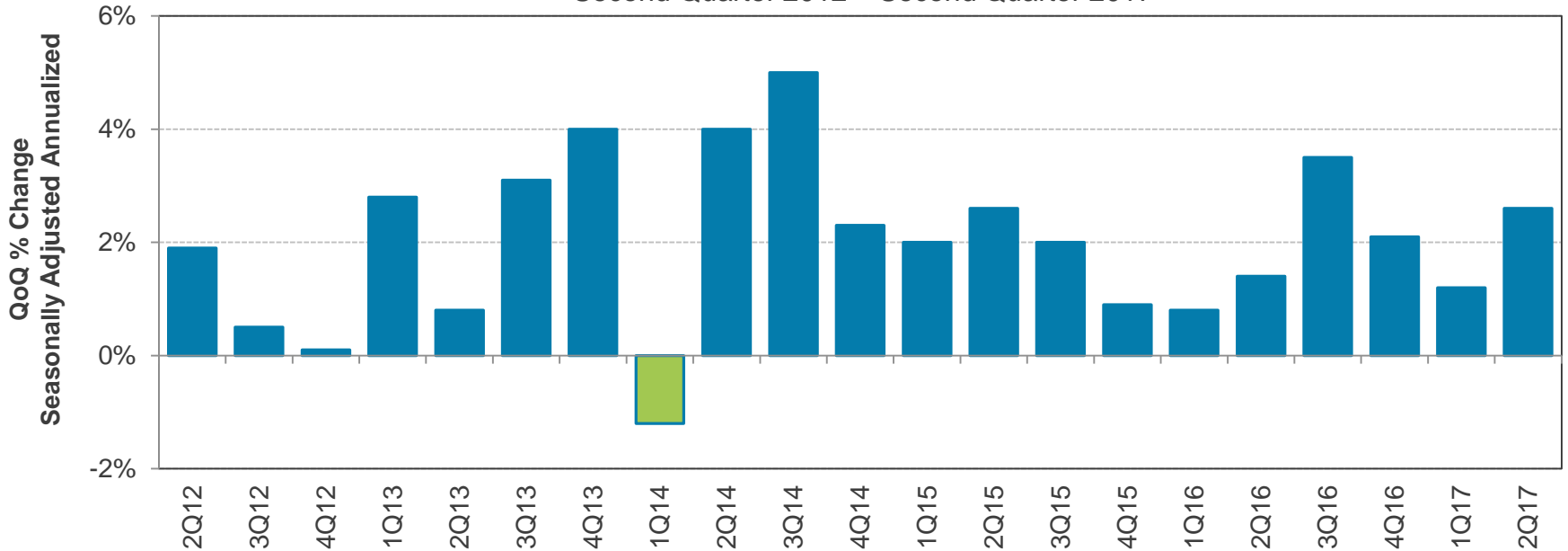
Senior Director, Finance & Asset Management

September 7, 2017

# Second Quarter GDP

Second quarter GDP increased at an annual rate of 2.6% (advance estimate), well above the 1.2% pace of the prior quarter. Second quarter GDP was brought up by a smaller decrease in private inventory investment, an acceleration in PCE and an upturn in federal government spending. These were partially offset by a downturn in residential fixed investment and decelerations in exports and nonresidential fixed investment.

**U.S. Gross Domestic Product (QoQ)**  
Second Quarter 2012 – Second Quarter 2017





# Initial Claims For Unemployment

For the week of August 18th, initial claims for unemployment (seasonally adjusted) increased by 2,000 to 234,000. The 4-week moving average, which helps smooth out some of the weekly volatility, decreased by 2,750 to 237,750. The low jobless claims reflect continued labor market strength.

**Initial Jobless Claims and 4-Week Moving Average**

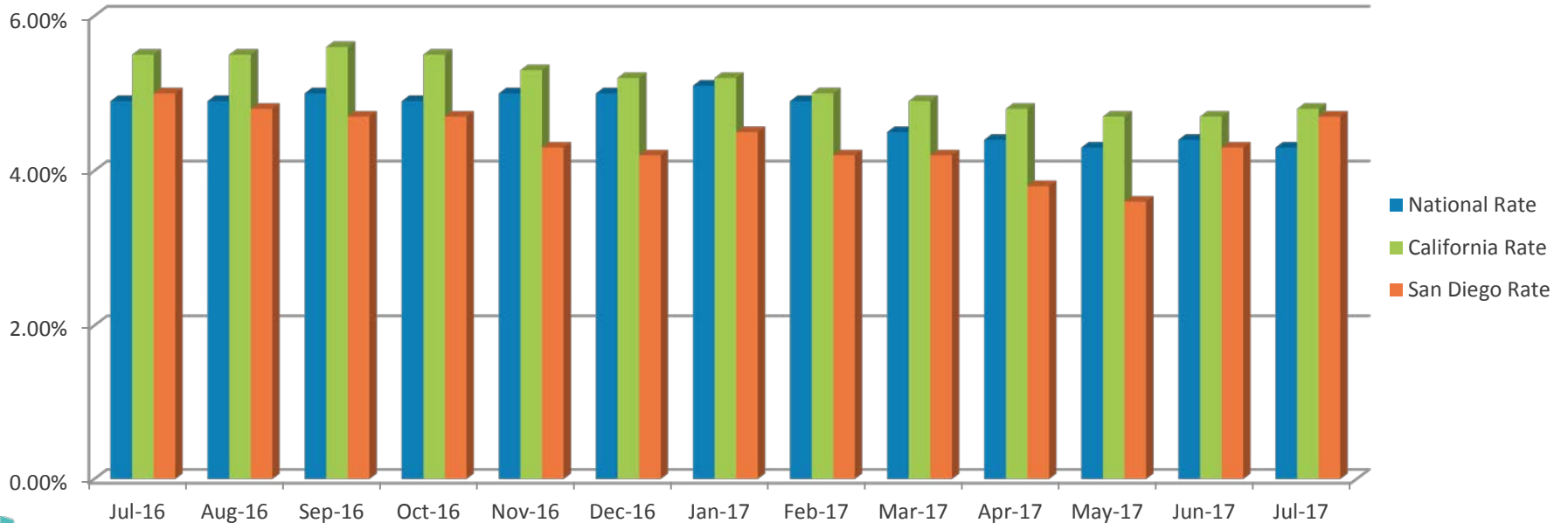
August 17, 2012 – August 18, 2017



# Unemployment Rates

The National unemployment rate lowered slightly from 4.4 percent in June to 4.3 percent in July. The National U-6 rate remained at 8.6 percent from June to July. The California unemployment rate raised slightly from 4.7 percent in June to 4.8 percent in July. Locally, San Diego's unemployment rate increased to 4.7 percent, an increase of 0.4 percentage points from June.

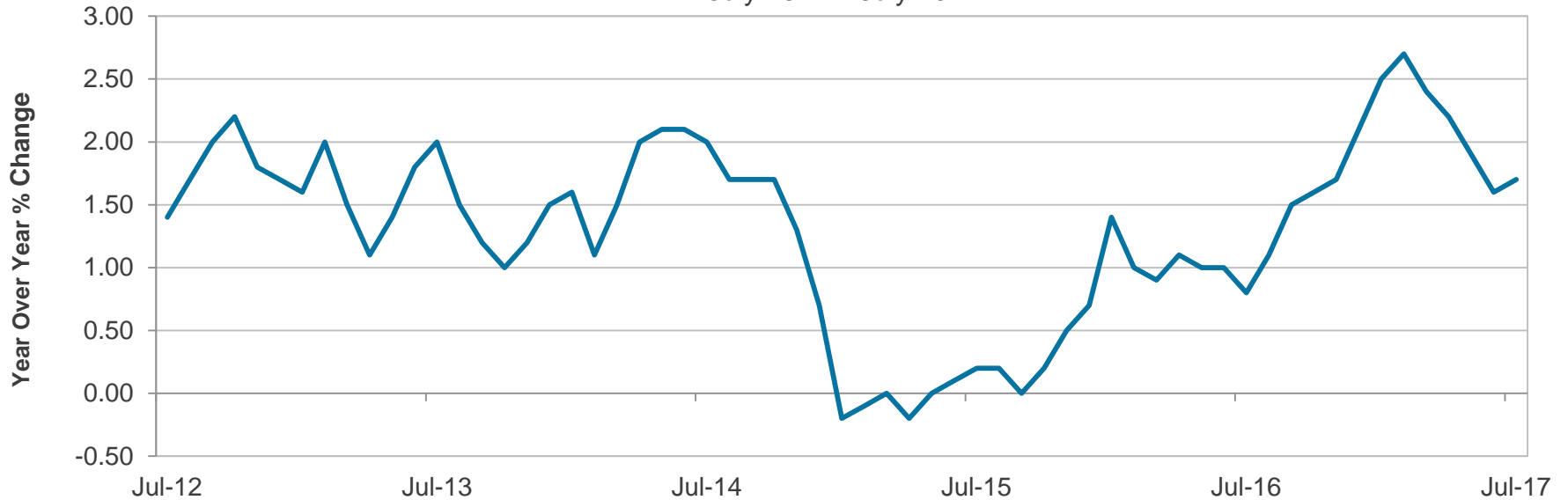
## Unemployment Rates



# Consumer Price Index

The Consumer Price Index (CPI) for the twelve months ending July rose by 1.70%, up from a 1.60% increase in June. Core CPI, excluding food and energy, remained at 1.70% for the twelve months ending July, with no change from June.

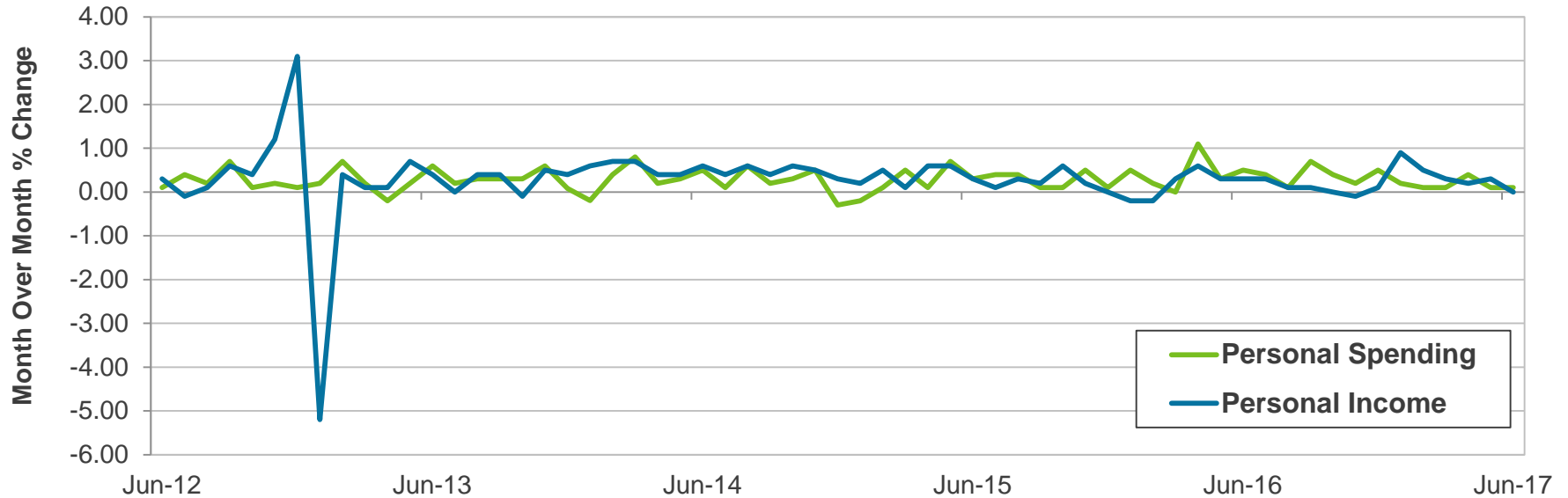
**Consumer Price Index (YoY%)**  
July 2012 – July 2017



# Personal Income and Spending

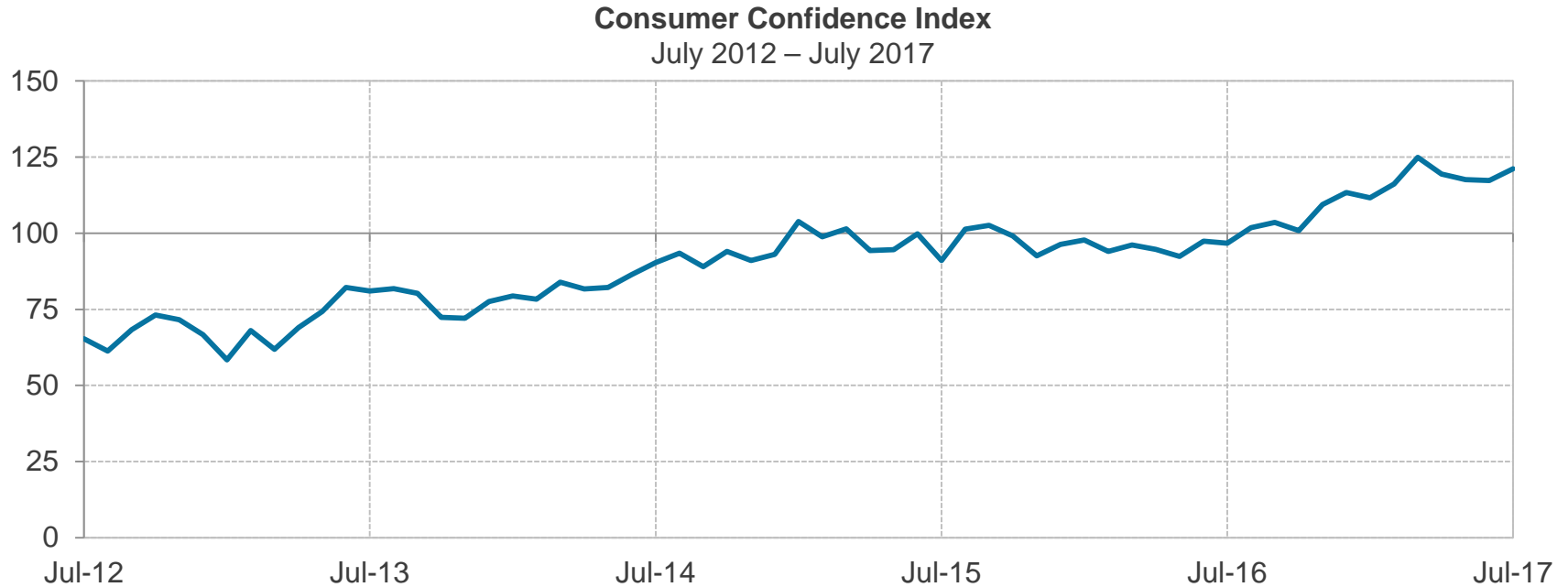
The overall picture for the consumer was weak in June. Personal income was flat at 0.00%, down from a 0.30% increase in May. Consumer spending was at least positive at a 0.10% increase, unchanged from May.

**Personal Income and Spending (MoM%)**  
June 2012 – June 2017



# Consumer Confidence Index

The Consumer Confidence Index increased to 121.1 units in July, up from 117.3 units in June. Consumers continue to expect modest growth in the economy.



# Existing Home Sales

Existing home sales declined 1.3% in July to a seasonally adjusted rate of 5.44 million units. Buyer interest has held up throughout the summer, but low inventories and pressure on affordability put the brakes on what should have been a higher sales pace.

**U.S. Existing Home Sales (MoM)**  
July 2007 – July 2017



# New Home Sales

New homes sales decreased in July to a seasonally adjusted annualized rate of 571,000 units, which was 9.4% below the revised June rate of 630,000 units and 8.9% below the July 2016 estimate of 627,000 units.

**U.S. New Home Sales**  
July 2007 – July 2017

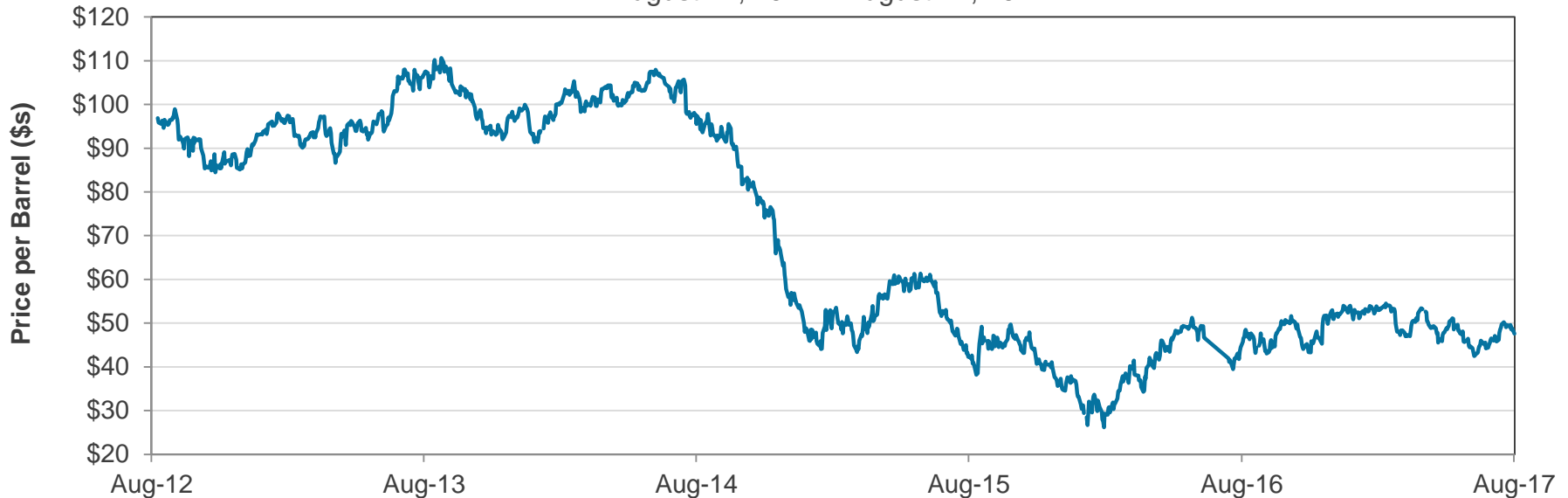


# Crude Oil Prices

Oil (WTI spot) closed at \$47.59 on August 14th, 1.2% below its 30-day average of \$48.16. This month, crude oil is 2.6% below its 12-month average of \$48.84. Sentiment toward oil remains bearish amid oversupply fears and the possible threat of OPEC's supply cut deal falling apart.

## West Texas Intermediate Oil Price Per Barrel (WTI Spot)

August 14, 2012 – August 14, 2017



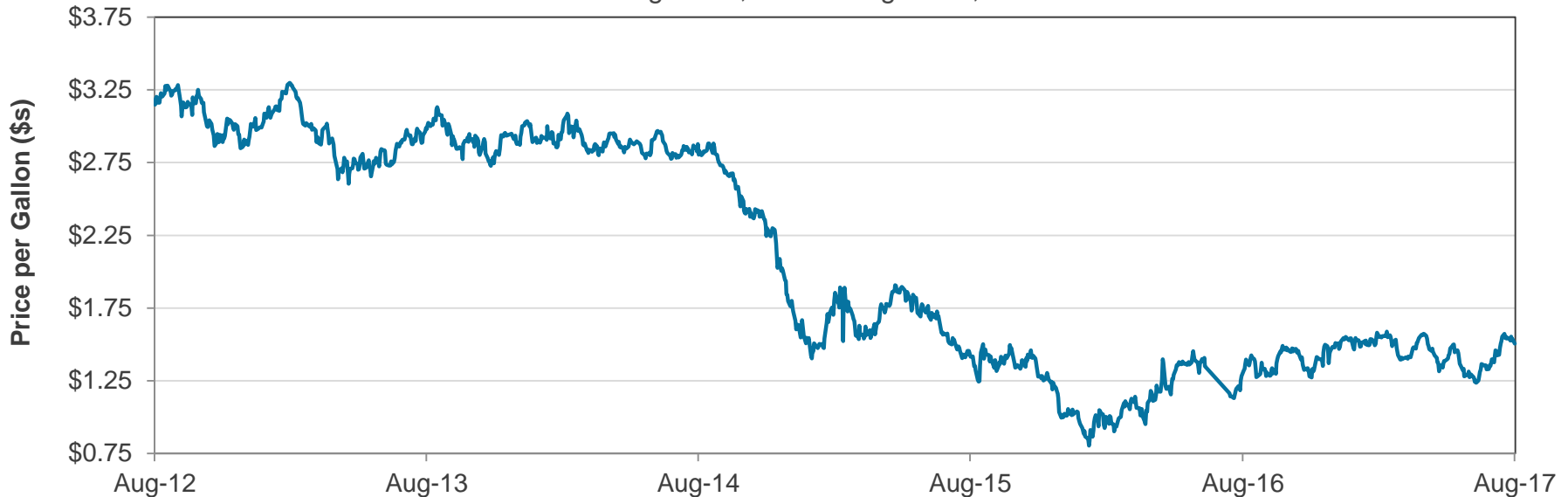


# Jet Fuel Prices

Jet fuel (U.S. Gulf Coast Spot) closed at \$1.506 on August 14th, which was up 0.5% above its 30-day average of \$1.498 and 5.1% above its 12-month average of \$1.433. Tropical storm Harvey is strengthening and likely to hit the Gulf of Mexico at the end of the week of August 21st, sending gasoline prices higher.

## U.S. Gulf Coast Kerosene-Type Jet Fuel Spot Price FOB

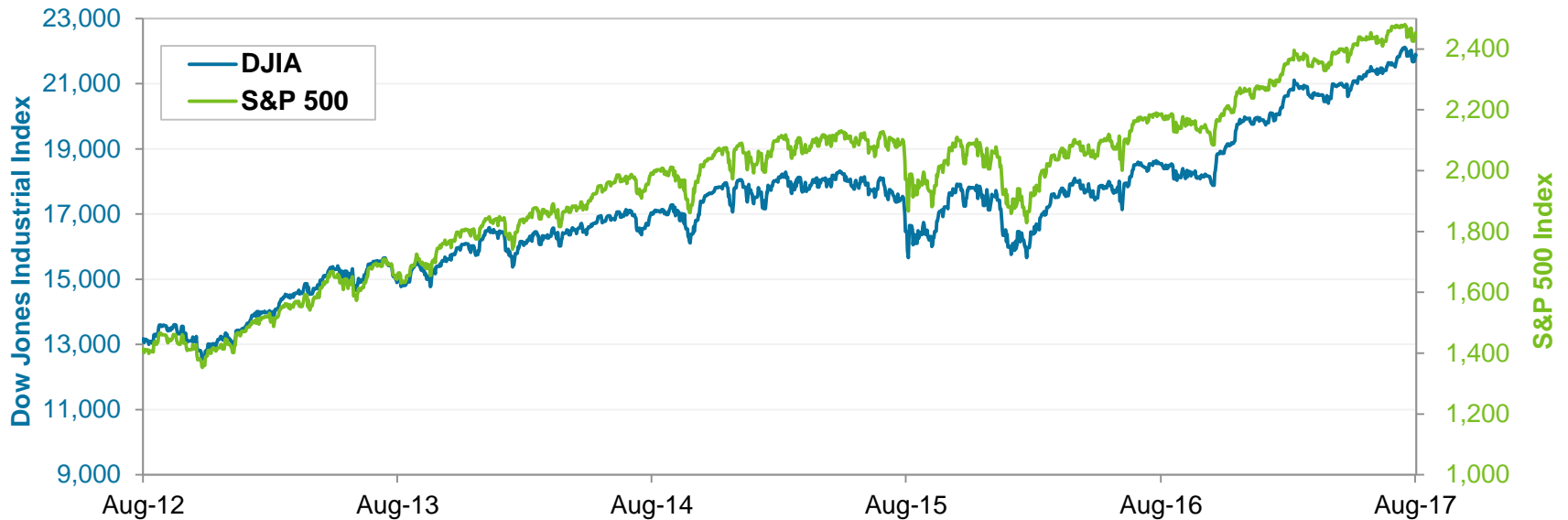
August 14, 2012 – August 14, 2017



# U.S. Equity Markets

Although the stock market continues to be strong, investors are preparing for an overdue correction in the market, with some saying possibly as soon as September. Year-to-date, the DJIA is up 10.6% and the S&P 500 is up 9.3%.

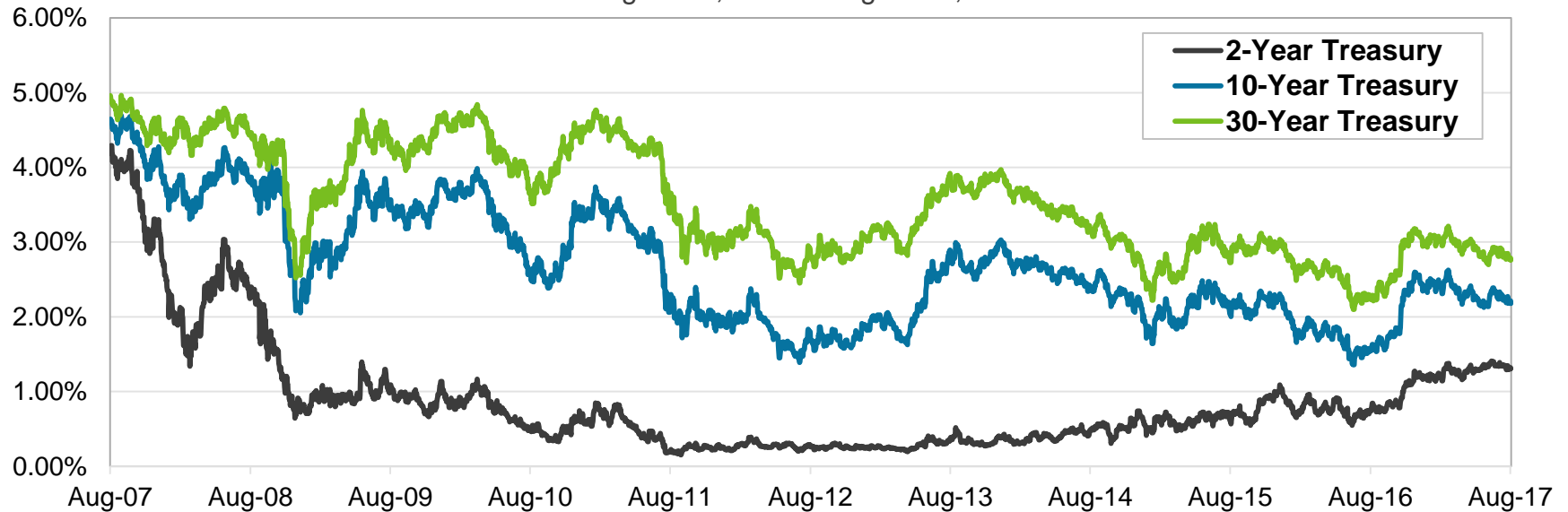
**Dow Jones Industrial Average (DJIA) and S&P 500 Indices**  
August 22, 2012 – August 22, 2017



# Treasury Yield History

Longer-term Treasury yields remain low since the spike following the Presidential election. The market has doubts about President Trump's policies following through and inflation expectations continue to follow a downward trend.

**2-, 10- and 30-year U.S. Treasury Yields**  
August 22, 2007 – August 22, 2017

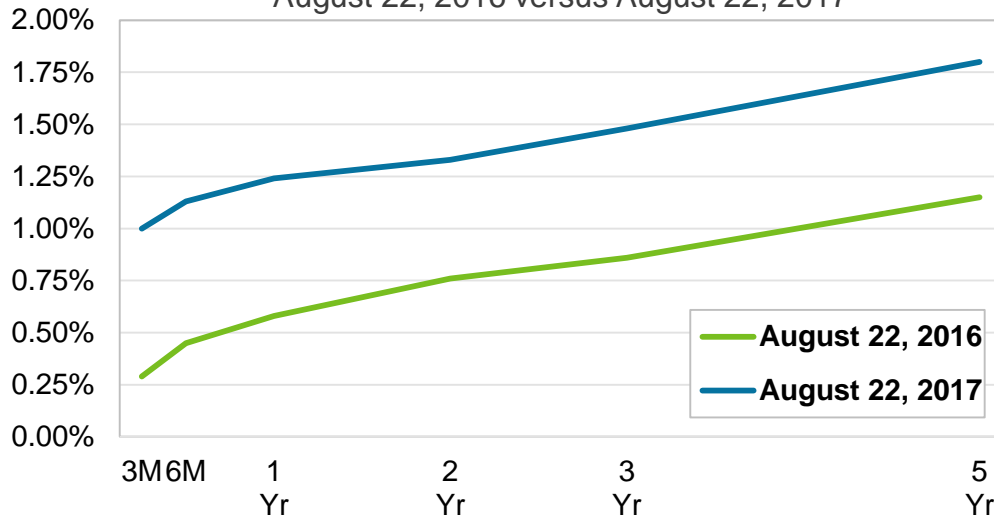


# U.S. Treasury Yield Curve


The yield curve remains flat relative to the start of the year. This can be attributed to current events in the White House, geopolitical tensions and the Fed rate hikes keeping short-term yields high, while subdued inflation expectations and lower confidence in the Administration's ability to follow through with long-term policies is keeping longer-term yields trending downward. Treasury yields are still well above prior year levels.

## U.S. Treasury Yield Curve

August 22, 2016 versus August 22, 2017

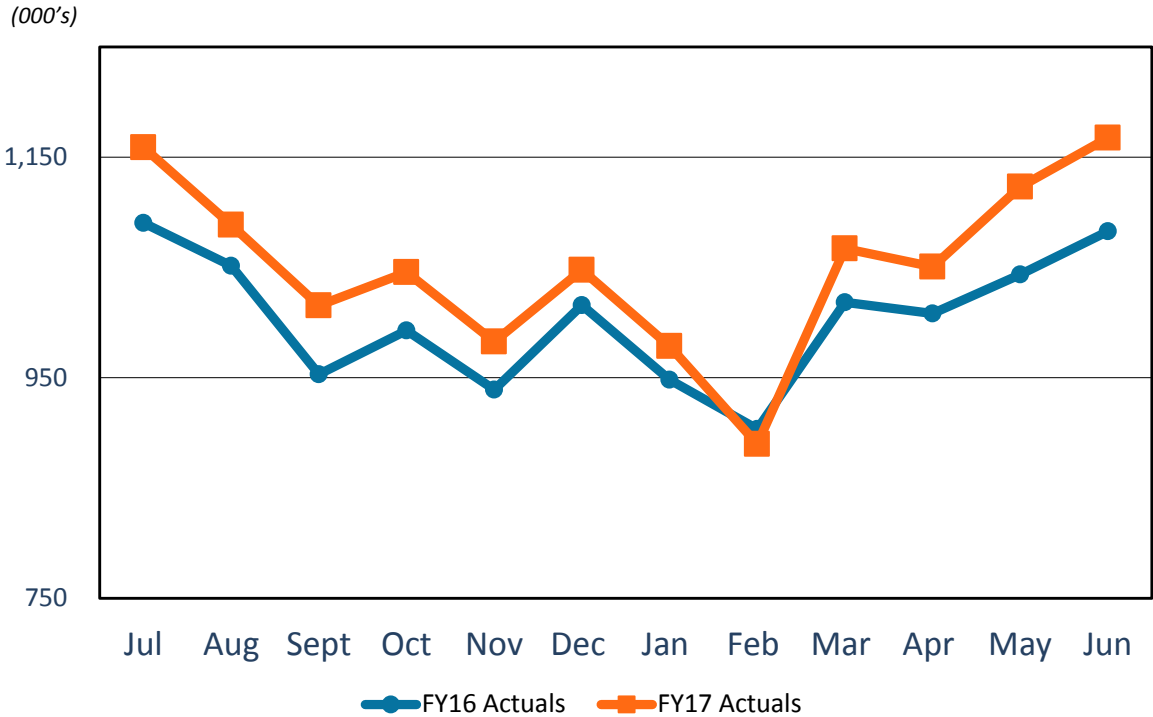


	8/22/16	8/22/17	Change
<b>3-Mo.</b>	0.29%	1.00%	0.71%
<b>6-Mo.</b>	0.45%	1.13%	0.68%
<b>1-Yr.</b>	0.58%	1.24%	0.66%
<b>2-Yr.</b>	0.76%	1.33%	0.57%
<b>3-Yr.</b>	0.86%	1.48%	0.62%
<b>5-Yr.</b>	1.15%	1.80%	0.65%
<b>10-Yr.</b>	1.55%	2.22%	0.67%
<b>30-Yr.</b>	2.24%	2.79%	0.55%



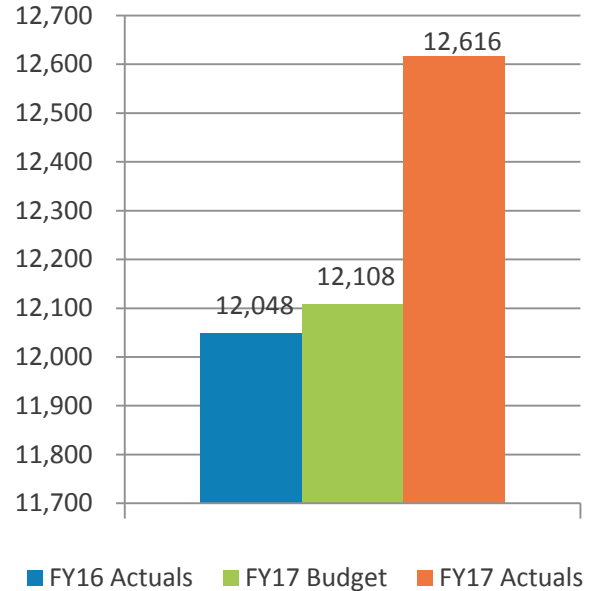
# Revenue & Expenses (Unaudited) For the Month Ended June 30, 2017 and 2016

# Gross Landing Weight Units (000 lbs)

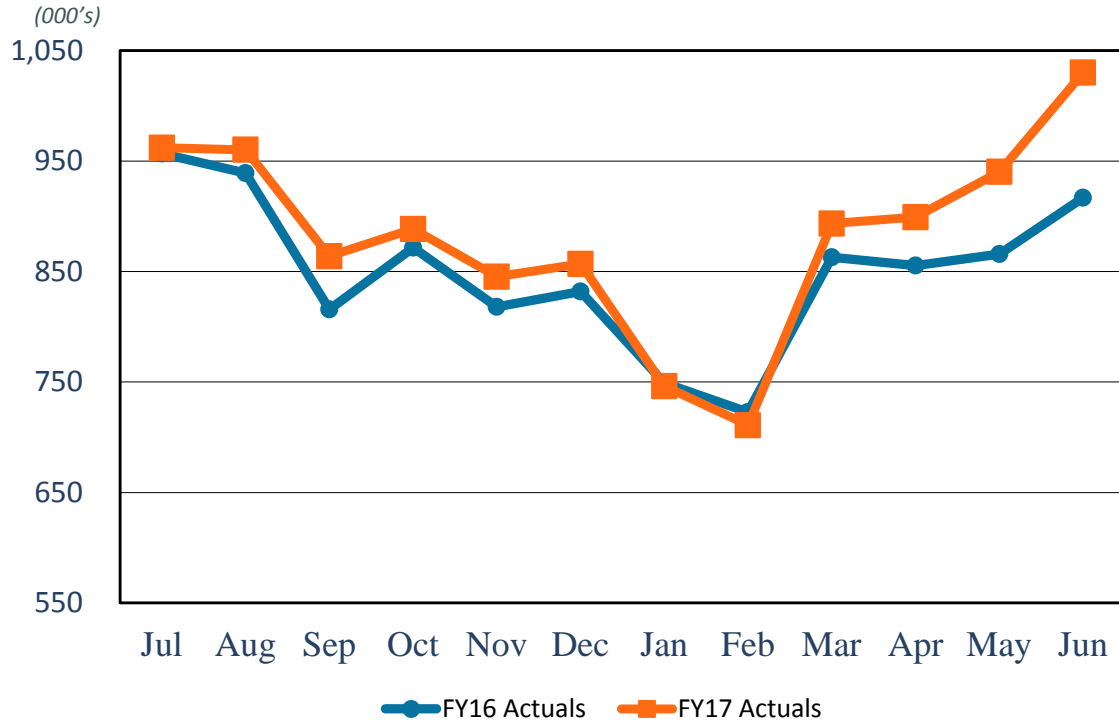


FY17 YTD Act Vs.  
FY16 YTD Act  
4.7%

FY17 YTD Act Vs.  
FY17 YTD Budget  
4.2%

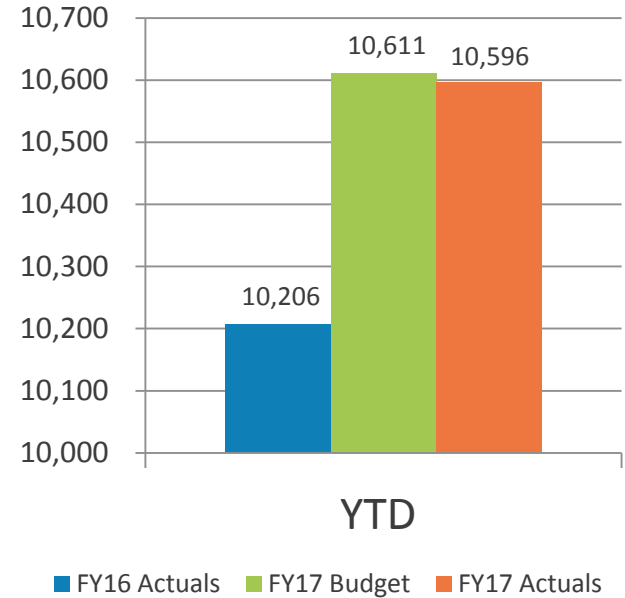


# Enplanements

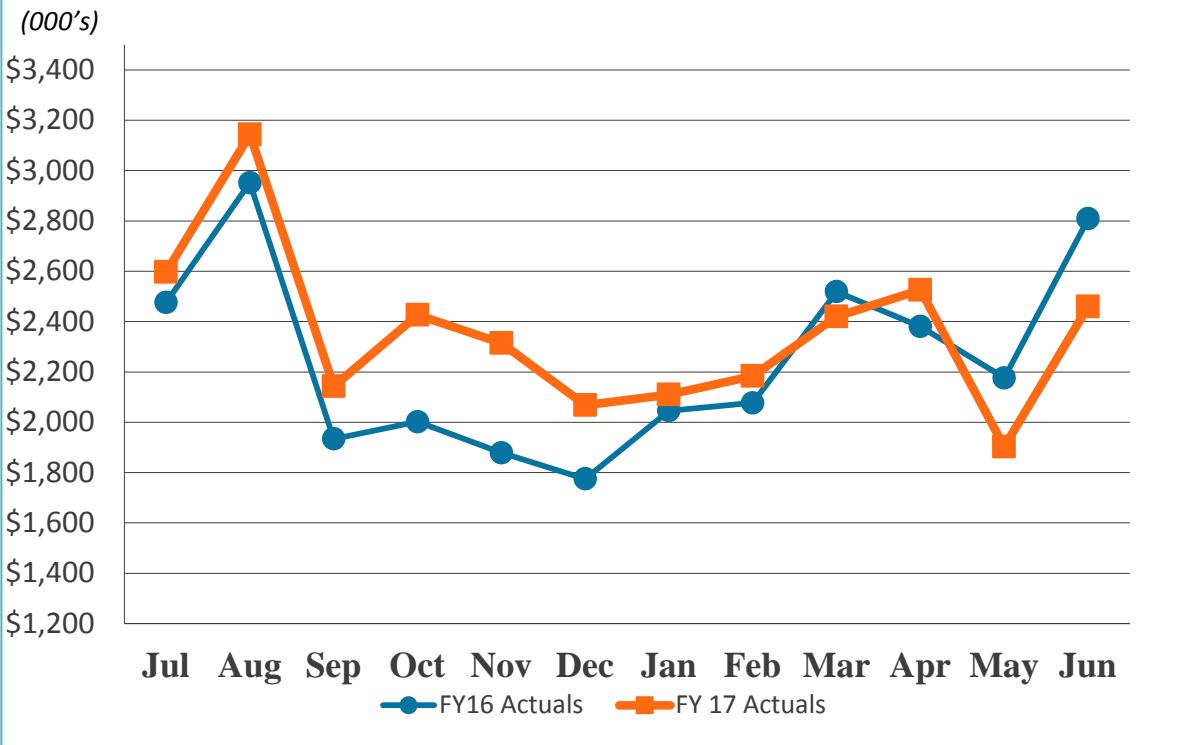


FY17 YTD Act Vs.  
FY16 YTD Act  
3.8%

FY17 YTD Act Vs.  
FY17 YTD Budget  
-0.1%

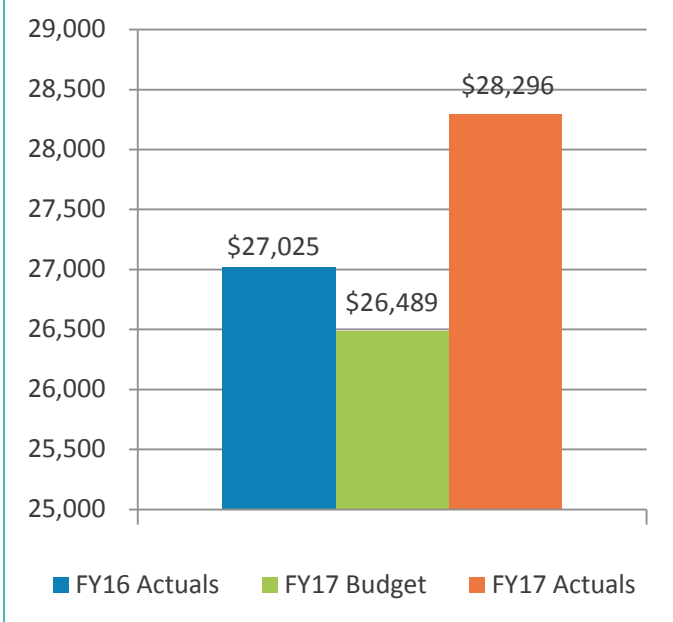


# Car Rental License Fees



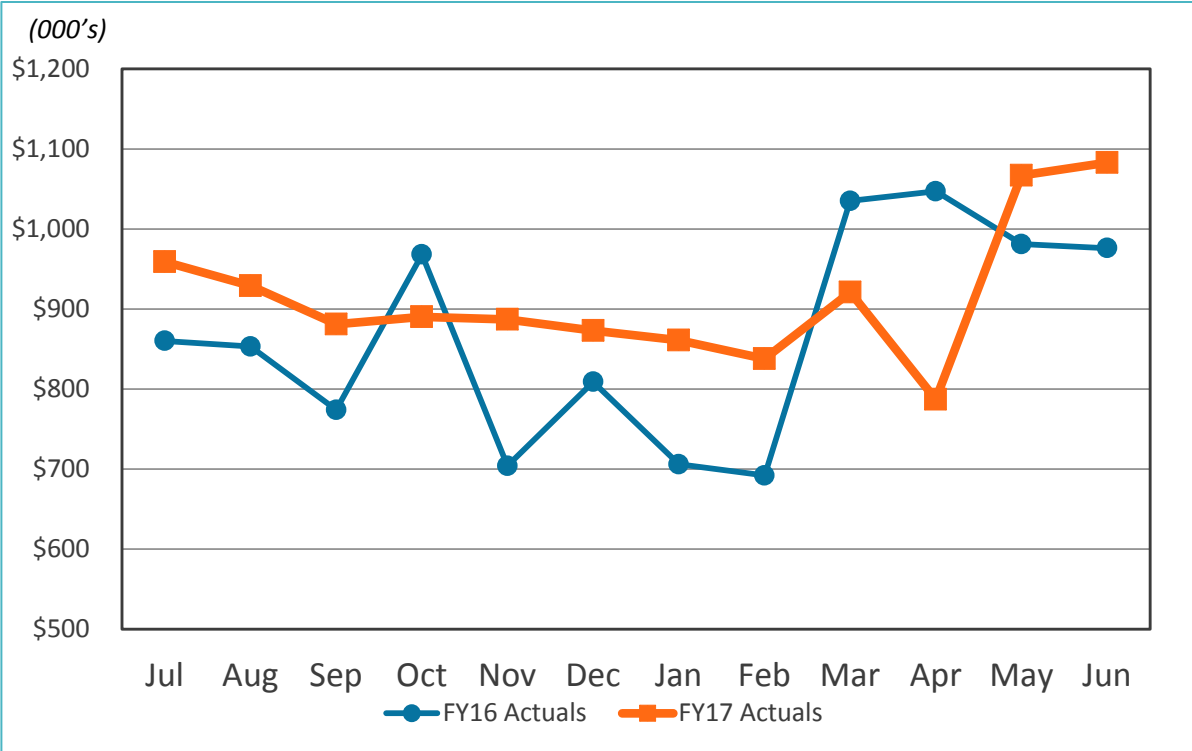
FY17 YTD Act Vs.  
FY16 YTD Act  
4.7%

FY17 YTD Act Vs.  
FY17 YTD Budget  
6.8%



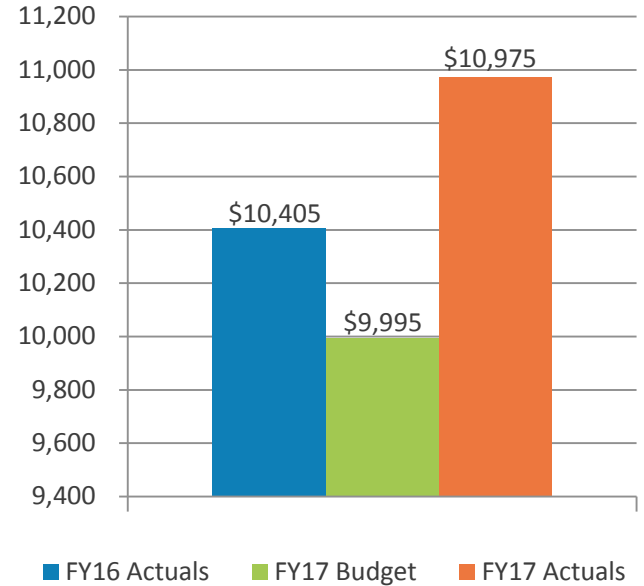


# Food and Beverage Concessions Revenue

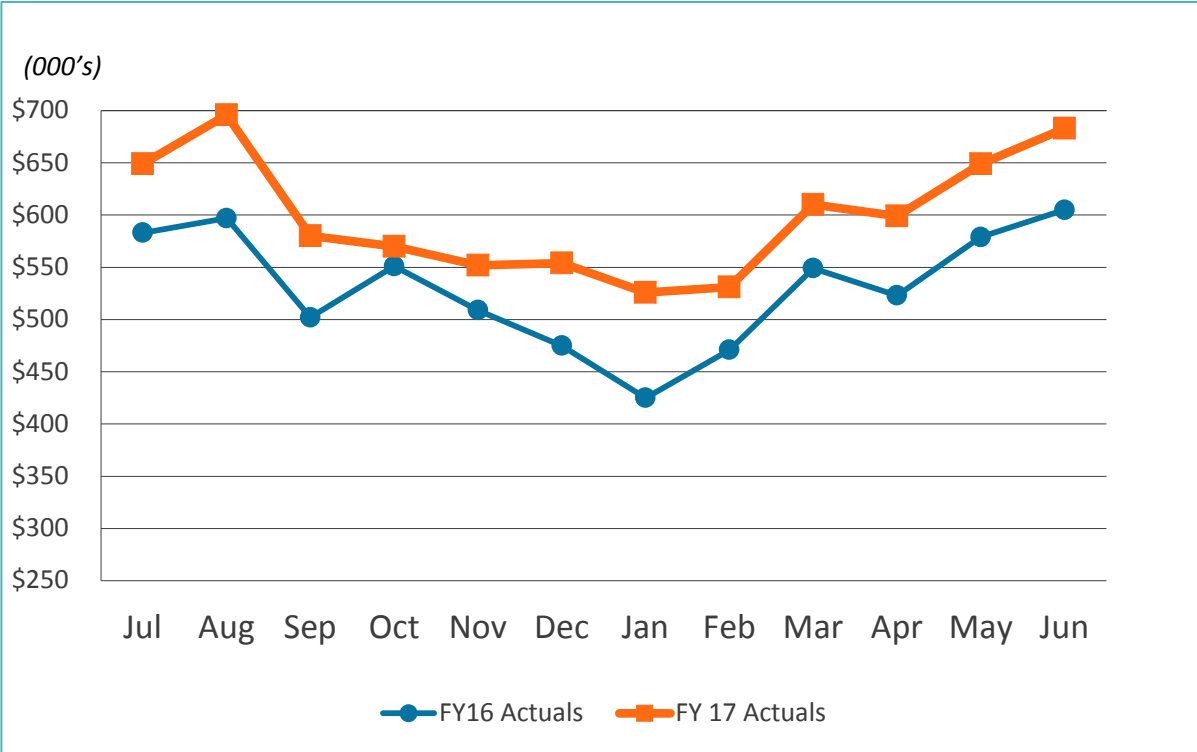


FY17 YTD Act Vs.  
FY16 YTD Act  
5.4%

FY17 YTD Act Vs.  
FY17 YTD Budget  
9.8%

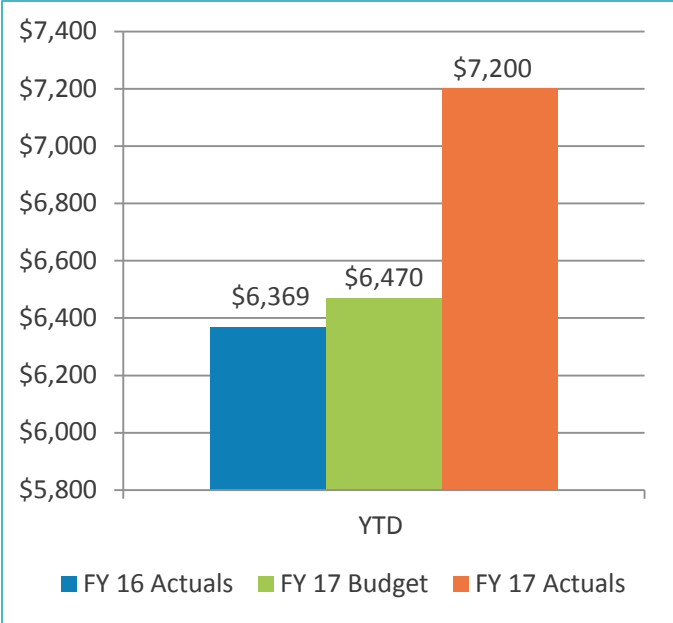


# Retail Concessions Revenue

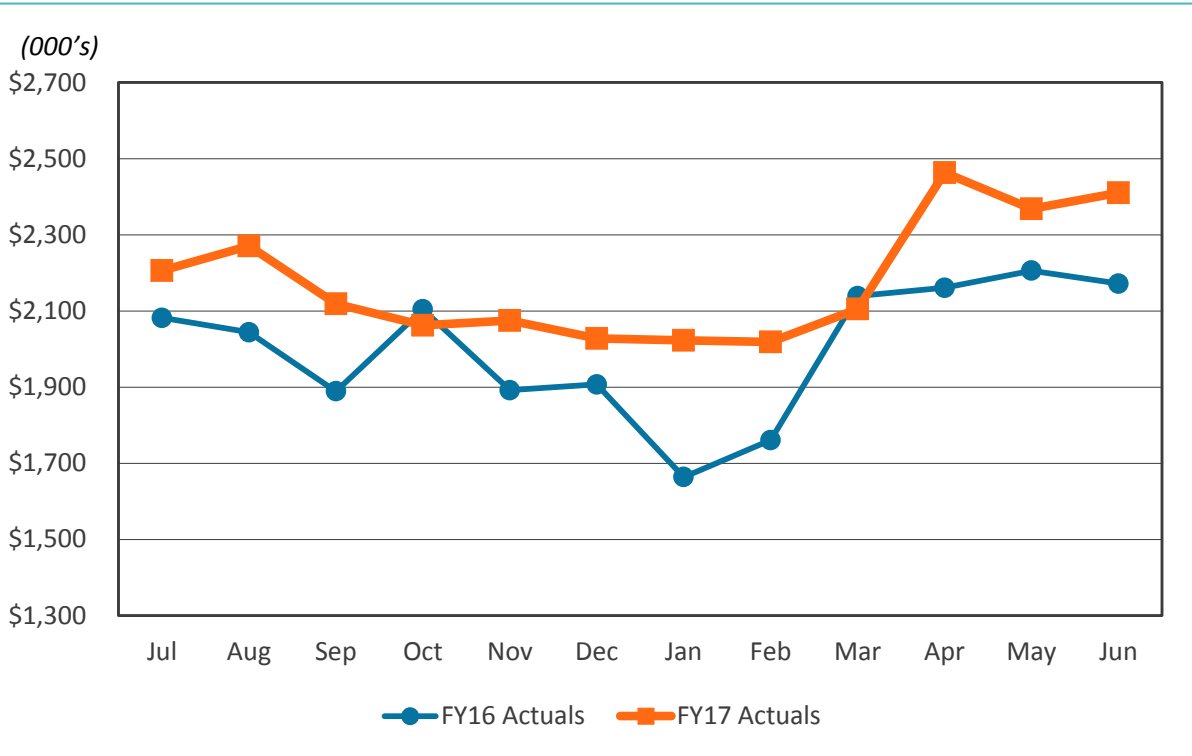


FY17 YTD Act Vs.  
FY16 YTD Act  
13.0%

FY17 YTD Act Vs.  
FY17 YTD Budget  
11.2%

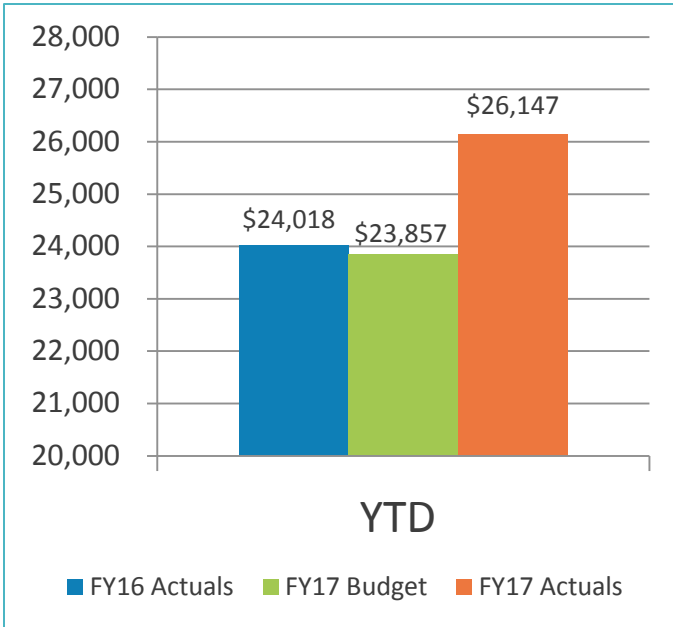


# Total Terminal Concessions (Includes Cost Recovery)



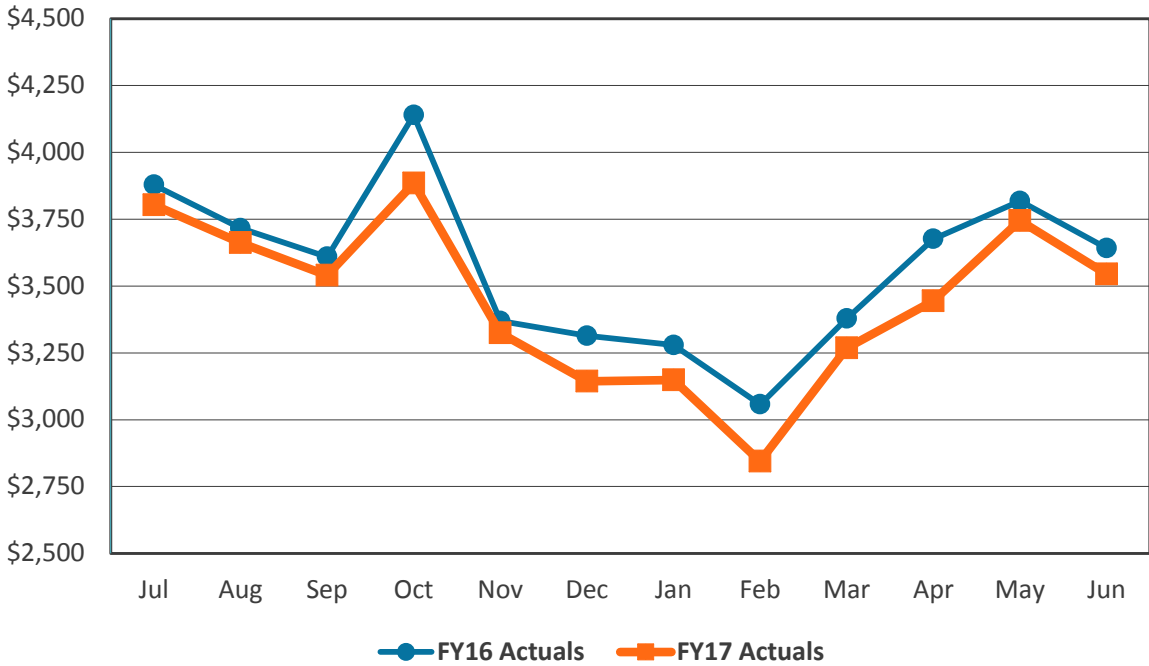
FY17 YTD Act Vs.  
FY16 YTD Act  
8.8%

FY17 YTD Act Vs.  
FY17 YTD Budget  
9.6%



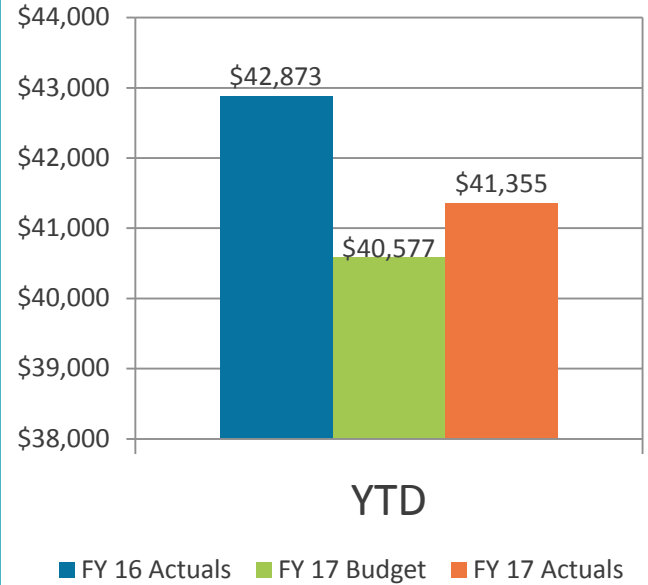
# Parking Revenue

(000's)



FY17 YTD Act Vs.  
FY16 YTD Act  
-3.6%

FY17 YTD Act Vs.  
FY17 YTD Budget  
1.9%



# Operating Revenues

## for the Month Ended June 30, 2017 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	%	Prior Year
				Change	
<b>Aviation revenue:</b>					
Landing fees	\$ 2,403	\$ 1,007	\$ (1,396)	(58)%	\$ 954
Aircraft parking fees	242	262	20	8%	226
Building rentals	4,579	6,084	1,505	33%	4,751
Security surcharge	2,488	2,132	(356)	(14)%	4,654
CUPPS Support Charges	104	42	(62)	-	46
Other aviation revenue	138	136	(2)	(1)%	136
<b>Total aviation revenue</b>	<b>\$ 9,954</b>	<b>\$ 9,663</b>	<b>\$ (291)</b>	<b>(3)%</b>	<b>\$10,767</b>

# Operating Revenues for the Month Ended June 30, 2017 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	\$ 103	\$ 138	\$ 35	34%	\$ 110
Concession revenue:					
Terminal concession revenue:					
Food and beverage	\$ 954	\$ 1,083	\$ 129	14%	\$ 976
Retail	614	683	69	11%	605
Space storage	72	80	8	11%	71
Cost recovery	258	242	(16)	(6)%	207
Other (Primarily advertising)	318	322	4	1%	313
<b>Total terminal concession revenue</b>	<b>2,216</b>	<b>2,410</b>	<b>194</b>	<b>9%</b>	<b>2,172</b>
Car rental and license fee revenue:					
Rental car and license fees	2,245	2,460	215	10%	2,809
Rental car center cost recovery	183	248	65	36%	148
License fees-other	362	537	175	48%	442
<b>Total rental car and license fees</b>	<b>2,790</b>	<b>3,245</b>	<b>455</b>	<b>16%</b>	<b>3,399</b>
<b>Total concession revenue</b>	<b>\$ 5,006</b>	<b>\$ 5,655</b>	<b>\$ 649</b>	<b>13%</b>	<b>\$ 5,571</b>

# Operating Revenues

## for the Month Ended June 30, 2017 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	%	Prior Year
<b>Parking revenue:</b>					
Short-term parking revenue	\$ 1,771	\$ 1,821	\$ 50	3%	\$ 2,258
Long-term parking revenue	1,552	1,724	172	11%	1,384
<b>Total parking revenue</b>	<b>3,323</b>	<b>3,545</b>	<b>222</b>	<b>7%</b>	<b>3,642</b>
Ground transportation permits and citations	550	756	206	37%	472
Ground rentals	1,549	1,548	(1)	-	1,535
Grant reimbursements	18	24	6	33%	24
Other operating revenue	63	112	49	78%	90
<b>Subtotal</b>	<b>5,503</b>	<b>5,985</b>	<b>482</b>	<b>9%</b>	<b>5,763</b>
<b>Total operating revenues</b>	<b>\$ 20,566</b>	<b>\$ 21,441</b>	<b>\$ 875</b>	<b>4%</b>	<b>\$22,211</b>

# Operating Expenses

## for the Month Ended June 30, 2017 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
<b>Operating expenses:</b>					
Salaries and benefits	\$ 4,328	\$ 5,526	\$ (1,198)	(28)%	\$ 3,516
Contractual services	3,754	4,291	(537)	(14)%	3,647
Safety and security	2,746	3,095	(349)	(13)%	3,155
Space rental	849	849	-	-	868
Utilities	1,173	972	201	17%	1,023
Maintenance	1,498	1,425	73	5%	1,012
Equipment and systems	67	89	(22)	(33)%	254
Materials and supplies	41	82	(41)	(100)%	80
Insurance	77	79	(2)	(3)%	79
Employee development and support	124	219	(95)	(77)%	164
Business development	245	161	84	34%	326
Equipment rental and repairs	293	147	146	50%	135
<b>Total operating expenses</b>	<b>\$ 15,195</b>	<b>\$ 16,935</b>	<b>\$ (1,740)</b>	<b>(11)%</b>	<b>\$14,259</b>



# Financial Summary

## for the Month Ended June 30, 2017 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Total operating revenues	\$ 20,566	\$ 21,441	\$ 875	4%	\$22,211
Total operating expenses	15,195	16,935	\$ (1,740)	(11)%	14,259
<b>Income from operations</b>	<b>5,371</b>	<b>4,506</b>	<b>(865)</b>	<b>(16)%</b>	<b>7,952</b>
Depreciation	9,333	9,333	-	-	8,746
<b>Operating income (loss)</b>	<b>\$ (3,962)</b>	<b>\$ (4,827)</b>	<b>\$ (865)</b>	<b>(22)%</b>	<b>\$ (794)</b>

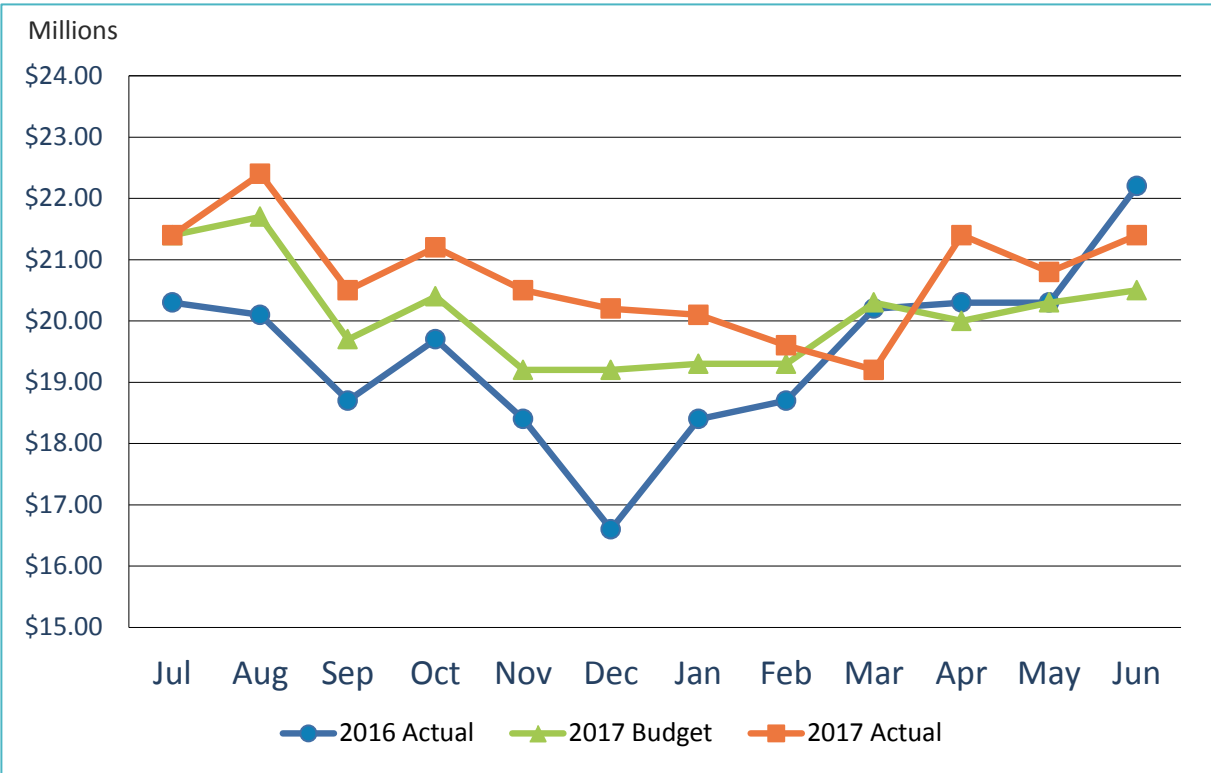
# Nonoperating Revenues & Expenses for the Month Ended June 30, 2017 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	%	Prior Year
<b>Nonoperating revenues (expenses):</b>					
Passenger facility charges	\$ 3,806	\$ 3,644	\$ (162)	(4)%	\$ 3,464
Customer facility charges (Rental Car Center)	3,450	3,471	21	1%	2,830
Quieter Home Program, net	(249)	(108)	141	57%	962
Interest income	528	777	249	47%	555
BAB interest rebate	386	396	10	-	399
Interest expense & debt issuance costs	(5,640)	(5,776)	(136)	(2)%	(2,176)
Bond amortization	343	343	-	-	350
Other nonoperating revenue (expenses)	(1)	(461)	(460)	-	1,121
<b>Nonoperating revenue, net</b>	<b>2,623</b>	<b>2,286</b>	<b>(337)</b>	-	<b>7,505</b>
<b>Change in net position before grant contributions</b>	<b>(1,339)</b>	<b>(2,541)</b>	<b>(1,202)</b>		<b>6,711</b>
Capital grant contributions	150	99	(51)	(34)%	(147)
<b>Change in net position</b>	<b>\$ (1,189)</b>	<b>\$ (2,442)</b>	<b>\$ (1,253)</b>	-	<b>\$ 6,564</b>



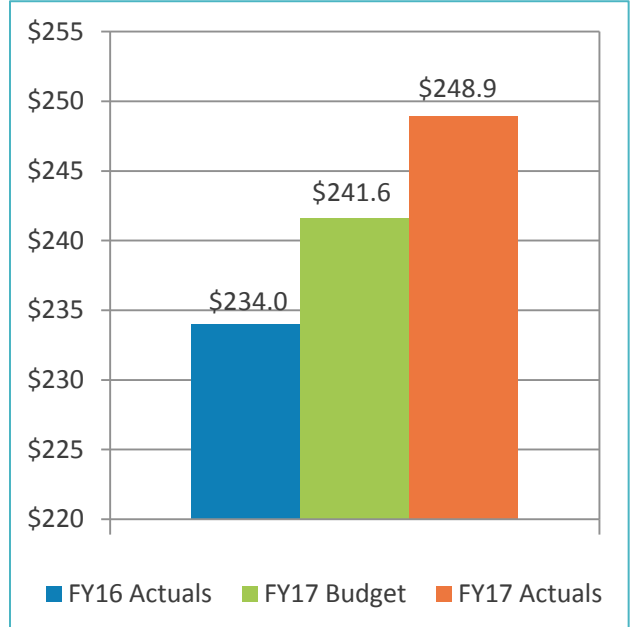
**Revenue & Expense  
(Unaudited)  
For the Twelve Months Ended  
June 30, 2017 and 2016**

# Operating Revenue (Unaudited)



FY17 YTD Act Vs.  
FY16 YTD Act  
6.3%

FY17 YTD Act Vs.  
FY17 YTD Budget  
3.0%



# Operating Revenues

## for the Twelve Months Ended June 30, 2017 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
<b>Aviation revenue:</b>					
Landing fees	\$ 26,621	\$ 24,637	\$ (1,984)	(7)%	\$ 23,985
Aircraft parking fees	2,908	2,927	\$ 19	1%	2,701
Building rentals	54,925	56,624	1,699	3%	53,536
Security surcharge	29,858	29,478	(380)	(1)%	29,223
CUPPS Support Charges	1,245	1,182	(63)	(5)%	1,152
Other aviation revenue	1,620	1,617	(3)	-	1,607
<b>Total aviation revenue</b>	<b>\$ 117,177</b>	<b>\$ 116,465</b>	<b>\$ (712)</b>	<b>(1)%</b>	<b>\$112,204</b>

# Operating Revenues

## for the Twelve Months Ended June 30, 2017 (Unaudited)

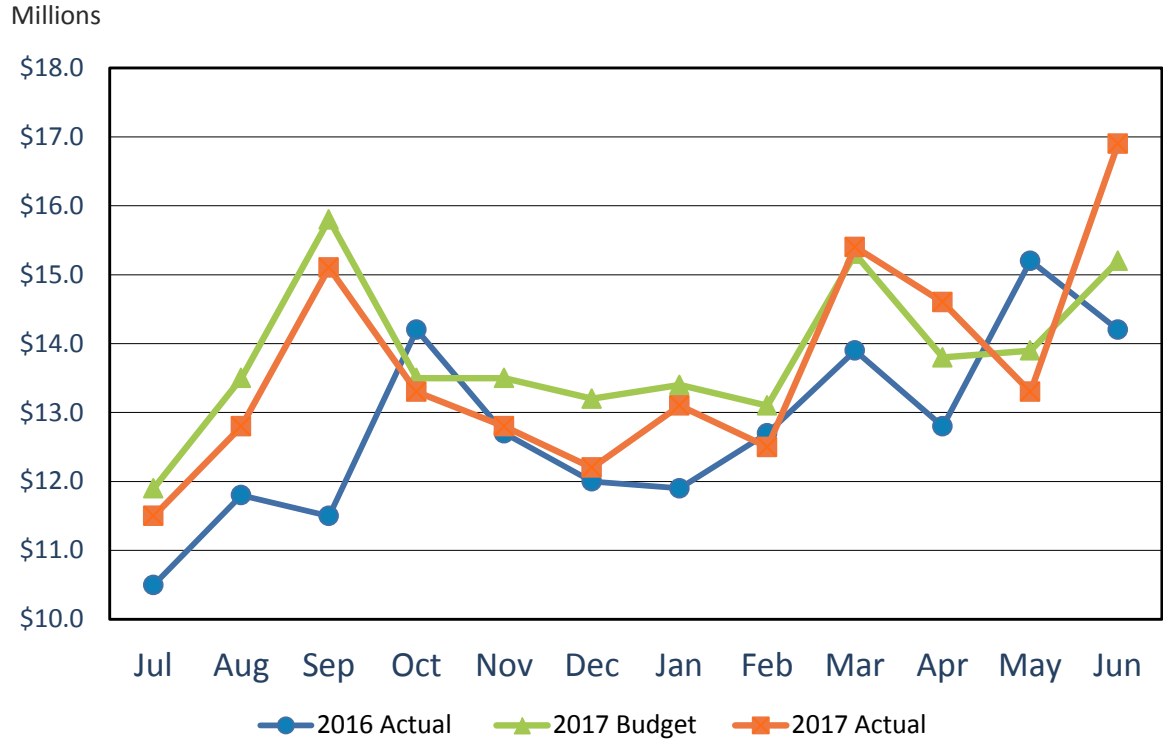
(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	\$ 1,242	\$ 1,556	\$ 314	25%	\$ 1,032
Concession revenue:					
Terminal concession revenue:					
Food and beverage	9,995	10,975	980	10%	10,405
Retail	6,470	7,200	730	11%	6,369
Space storage	864	879	15	2%	855
Cost recovery	2,881	2,616	(265)	(9)%	2,520
Other (Primarily advertising)	3,647	4,477	830	23%	3,869
<b>Total terminal concession revenue</b>	<b>23,857</b>	<b>26,147</b>	<b>2,290</b>	<b>10%</b>	<b>24,018</b>
Car rental and license fee revenue:					
Rental car license fees	26,489	28,296	1,807	7%	27,025
Rental car center cost recovery	2,195	1,866	(329)	(15)%	791
License fees-other	4,339	4,948	609	14%	4,441
<b>Total rental car and license fees</b>	<b>33,023</b>	<b>35,110</b>	<b>2,087</b>	<b>6%</b>	<b>32,257</b>
<b>Total concession revenue</b>	<b>\$ 56,880</b>	<b>\$ 61,257</b>	<b>\$ 4,377</b>	<b>8%</b>	<b>\$ 56,275</b>

# Operating Revenues

## for the Twelve Months Ended June 30, 2017 (Unaudited)

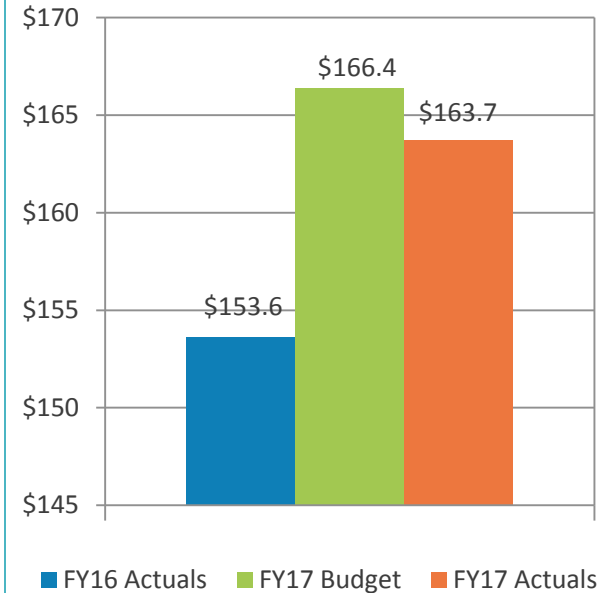
(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
<b>Parking revenue:</b>					
Short-term parking revenue	\$ 23,496	\$ 23,415	\$ (81)	-	\$ 26,477
Long-term parking revenue	17,081	17,940	859	5%	16,396
<b>Total parking revenue</b>	<b>40,577</b>	<b>41,355</b>	<b>778</b>	<b>2%</b>	<b>42,873</b>
Ground transportation permits and citations	6,242	8,052	1,810	29%	5,233
Ground rentals	18,583	18,497	(86)	-	15,194
Grant reimbursements	220	292	72	33%	293
Other operating revenue	752	1,457	705	94%	890
<b>Subtotal</b>	<b>66,374</b>	<b>69,653</b>	<b>3,279</b>	<b>5%</b>	<b>64,483</b>
<b>Total operating revenues</b>	<b>\$ 241,673</b>	<b>\$ 248,931</b>	<b>\$ 7,258</b>	<b>3%</b>	<b>\$233,994</b>

# Operating Expenses (Unaudited)



FY17 YTD Act Vs.  
FY16 YTD Act  
-6.5%

FY17 YTD Act Vs.  
FY17 YTD Budget  
1.6%





# Operating Expenses

## for the Twelve Months Ended June 30, 2017 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
<b>Operating expenses:</b>					
Salaries and benefits	\$ 45,556	\$ 46,907	\$ (1,351)	(3)%	\$ 42,067
Contractual services	44,698	44,312	386	1%	38,211
Safety and security	29,061	28,422	639	2%	28,721
Space rental	10,191	10,190	1	-	10,367
Utilities	12,903	10,736	2,167	17%	11,480
Maintenance	14,666	14,270	396	3%	14,122
Equipment and systems	365	513	(148)	(41)%	714
Materials and supplies	447	611	(164)	(37)%	529
Insurance	1,013	956	57	6%	949
Employee development and support	1,328	1,353	(25)	(2)%	1,242
Business development	2,564	2,341	223	9%	2,391
Equipment rental and repairs	3,628	3,130	498	14%	2,860
<b>Total operating expenses</b>	<b>\$ 166,420</b>	<b>\$ 163,741</b>	<b>\$ 2,679</b>	<b>2%</b>	<b>\$153,653</b>

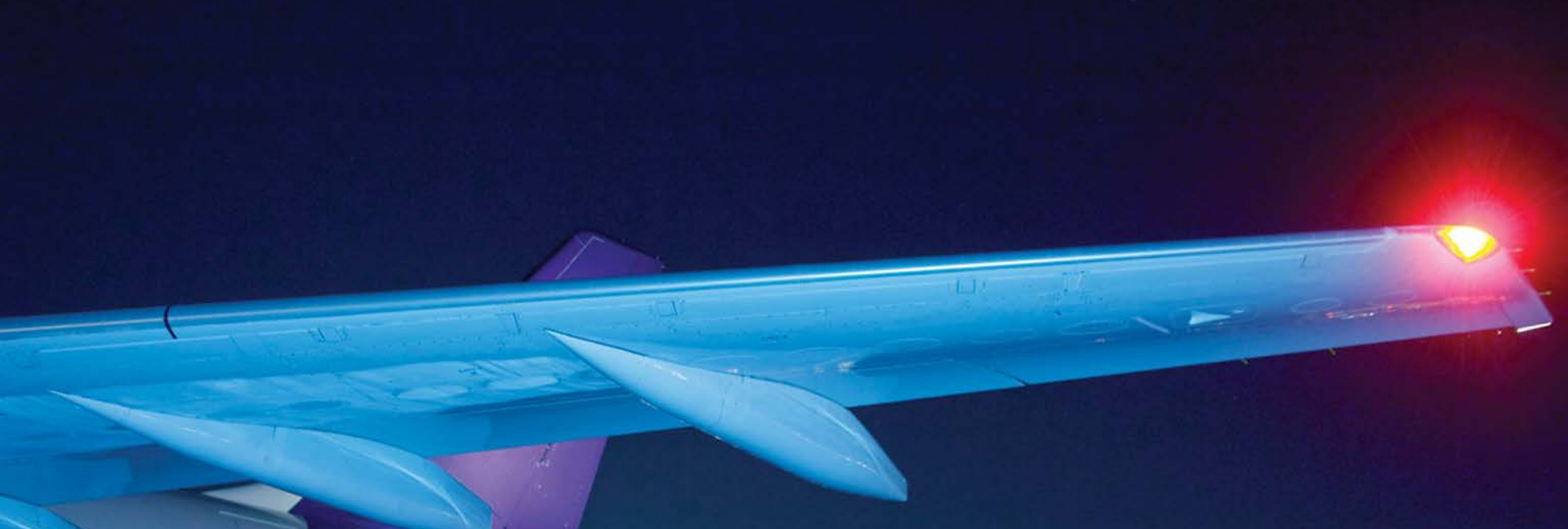
# Financial Summary

## for the Twelve Months Ended June 30, 2017 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Total operating revenues	\$ 241,673	\$ 248,931	\$ 7,258	3%	\$233,994
Total operating expenses	166,420	163,741	2,679	2%	153,653
<b>Income from operations</b>	<b>75,253</b>	<b>85,190</b>	<b>9,937</b>	<b>13%</b>	<b>80,341</b>
Depreciation	95,229	95,229	-	-	87,821
<b>Operating income (loss)</b>	<b>\$ (19,976)</b>	<b>\$ (10,039)</b>	<b>\$ 9,937</b>	<b>50%</b>	<b>\$ (7,480)</b>

# Nonoperating Revenues & Expenses for the Twelve Months Ended June 30, 2017 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
<b>Nonoperating revenues (expenses):</b>					
Passenger facility charges	\$ 41,924	\$ 42,200	\$ 276	1%	\$ 40,258
Customer facility charges (Rental Car Center)	37,287	36,528	(759)	(2)%	33,208
Quieter Home Program, net	(3,207)	(785)	2,422	76%	(3,799)
Interest income	6,536	8,134	1,598	24%	5,999
BAB interest rebate	4,631	4,651	20	-	4,656
Interest expense & debt issuance costs	(67,082)	(62,347)	4,735	7%	(54,878)
Bond amortization	4,153	4,154	1	-	4,243
Other nonoperating revenue (expenses)	(10)	(17,121)	(17,111)	-	2,246
<b>Nonoperating revenue, net</b>	<b>24,232</b>	<b>15,414</b>	<b>(8,818)</b>	<b>(36)%</b>	<b>31,933</b>
<b>Change in Net Position before grant contribution</b>	<b>4,256</b>	<b>5,375</b>	<b>1,119</b>	<b>26%</b>	<b>24,453</b>
Capital grant contributions	1,350	1,904	554	41%	10,477
<b>Change in Net Position</b>	<b>\$ 5,606</b>	<b>\$ 7,279</b>	<b>\$ 1,673</b>	<b>30%</b>	<b>\$ 34,930</b>



Statements of Net Position (Unaudited)  
June 30, 2017 and 2016

# Statements of Net Position (Unaudited)

## As of June 30, 2017 and 2016

(In Thousands)

	<u>2017</u>	<u>2016</u>
<b>Current assets:</b>		
Cash and investments	\$ 82,305	\$ 59,328
Tenant lease receivable, net of allowance of 2017: (\$227,155) and 2016: (\$219,353)	9,322	8,529
Grants receivable	3,354	7,623
Notes receivable-current portion	1,802	1,705
Prepaid expenses and other current assets	4,434	3,393
<b>Total current assets</b>	<u>101,217</u>	<u>80,578</u>
 <b>Cash designated for capital projects and other</b>	 <u>\$ 25,792</u>	 <u>\$ 31,271</u>

# Statements of Net Position (Unaudited)

## As of June 30, 2017 and 2016

(In Thousands)

	<u>2017</u>	<u>2016</u>
<b>Restricted assets:</b>		
Cash and investments:		
Bonds reserve	\$ 60,780	\$ 57,872
Passenger facility charges and interest unapplied	73,311	73,280
Customer facility charges and interest applied	37,816	32,922
SBD bond guarantee	4,000	4,000
Bond proceeds held by trustee	161,885	184,298
Variable rate debt interest held by Trustee	163	-
Passenger facility charges receivable	6,155	4,498
Customer facility charges receivable	3,732	2,970
OCIP insurance reserve	2,791	3,034
<b>Total restricted assets</b>	<b><u>\$ 350,633</u></b>	<b><u>\$ 362,874</u></b>

# Statements of Net Position (Unaudited)

## As of June 30, 2017 and 2016

(In Thousands)

### Noncurrent assets:

#### Capital assets:

	<u>2017</u>	<u>2016</u>
Land and land improvements	\$ 111,041	\$ 109,974
Runways, roads and parking lots	626,872	590,772
Buildings and structures	1,421,352	1,406,112
Machinery and equipment	49,079	47,362
Vehicles	15,721	14,629
Office furniture and equipment	33,490	32,335
Works of art	10,066	9,579
Construction-in-progress	171,498	152,703
	<u>2,439,119</u>	<u>2,363,466</u>
Less: accumulated depreciation	(894,209)	(812,459)
<b>Total capital assets, net</b>	<u><b>\$ 1,544,910</b></u>	<u><b>\$ 1,551,007</b></u>

# Statements of Net Position (Unaudited)

## As of June 30, 2017 and 2016

(In Thousands)

	<u>2017</u>	<u>2016</u>
<b>Other assets:</b>		
Notes receivable - long-term portion	\$ 33,242	\$ 35,044
Investments - long-term portion	174,112	150,323
Security deposit	350	350
<b>Total other assets</b>	<u>207,704</u>	<u>185,717</u>
<b>Deferred outflows of resources:</b>		
Deferred pension contributions	6,889	5,697
Other deferred pension outflows	15,048	288
<b>Total assets and deferred outflows of resources</b>	<u>\$ 2,252,193</u>	<u>\$ 2,217,432</u>



# Statements of Net Position (Unaudited)

## As of June 30, 2017 and 2016

(In Thousands)

	<u>2017</u>	<u>2016</u>
<b>Current liabilities:</b>		
Accounts payable and accrued liabilities	\$ 49,620	\$ 53,764
Deposits and other current liabilities	10,383	5,326
<b>Total current liabilities</b>	<b><u>60,003</u></b>	<b><u>59,090</u></b>
 <b>Current liabilities payable from restricted assets:</b>		
Current portion of long-term debt	11,585	11,090
Accrued interest on bonds and variable debt	32,749	32,954
<b>Total liabilities payable from restricted assets</b>	<b><u>\$ 44,334</u></b>	<b><u>\$ 44,044</u></b>

# Statements of Net Position (Unaudited)

## As of June 30, 2017 and 2016

(In Thousands)

	<u>2017</u>	<u>2016</u>
<b>Long-term liabilities:</b>		
Variable debt	\$ 58,998	\$ 32,581
Other long-term liabilities	7,964	8,800
Long-term debt - bonds net of amortized premium	1,276,017	1,291,756
Net pension liability	18,111	1,681
<b>Total long-term liabilities</b>	<u><b>1,361,090</b></u>	<u><b>1,334,818</b></u>
<b>Total liabilities</b>	<u>1,465,427</u>	<u>1,437,952</u>
<b>Deferred inflows of resources</b>		
Deferred pension inflows	1,815	1,807
<b>Total liabilities and deferred inflows of resources</b>	<u><b>\$ 1,467,242</b></u>	<u><b>\$ 1,439,759</b></u>

# Statements of Net Position (Unaudited)

## As of June 30, 2017 and 2016

(In Thousands)

### Net Position:

Invested in capital assets, net of related debt

Other restricted

Unrestricted:

Designated

Undesignated

**Total net position**

	<u>2017</u>	<u>2016</u>
	\$ 352,751	\$ 392,156
	188,385	178,575
	25,792	31,271
	<u>218,023</u>	<u>175,671</u>
	<u>\$ 784,951</u>	<u>\$ 777,673</u>



Questions?



## San Diego County Regional Airport Authority

### Acceptance of the Investment Report for the Twelve Months Ended June 30, 2017

Presented by: Geoff Bryant  
Manager, Airport Finance

September 7, 2017

# Agenda

1. Investment Report

2. Portfolio Strategy

This report is prepared for the San Diego County Regional Airport Authority (the "Authority") in accordance with California Government Code Section 53646, which states that "the treasurer or chief fiscal officer may render a quarterly report to the chief executive officer, the internal auditor, and the legislative body of the local agency within 30 days following the end of the quarter covered by the report."

The investment report was compiled in compliance with California Government Code Section 53646 and the Authority's approved Investment Policy. All investment transactions made in the Authority's portfolio during this period were made on behalf of the Authority. Sufficient liquidity and anticipated revenue are available to meet expenditure requirements for the next six months.



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Scott Brickner, C.P.A.  
V.P. Finance & Asset Management / Treasurer  
San Diego County Regional Airport Authority

# Total Portfolio Summary

	Current Period	Prior Period	Change From
	July 31, 2017	June 30, 2017	Prior
Book Value (1)	\$453,659,000	\$461,751,000	(\$8,092,000)
Market Value (1)	\$452,787,000	\$460,674,000	(\$7,887,000)
Market Value%	99.81%	99.77%	0.04%
Unrealized Gain / (Loss)	(\$872,000)	(\$1,077,000)	\$205,000
Weighted Average Maturity (Days)	408 days	389 days	19
Weighted Average Yield as of Period End	1.23%	1.16%	0.07%
Cash Interest Received- Current Month	\$418,000	\$313,000	\$105,000
Accrued Interest	\$971,000	\$1,051,000	(\$80,000)

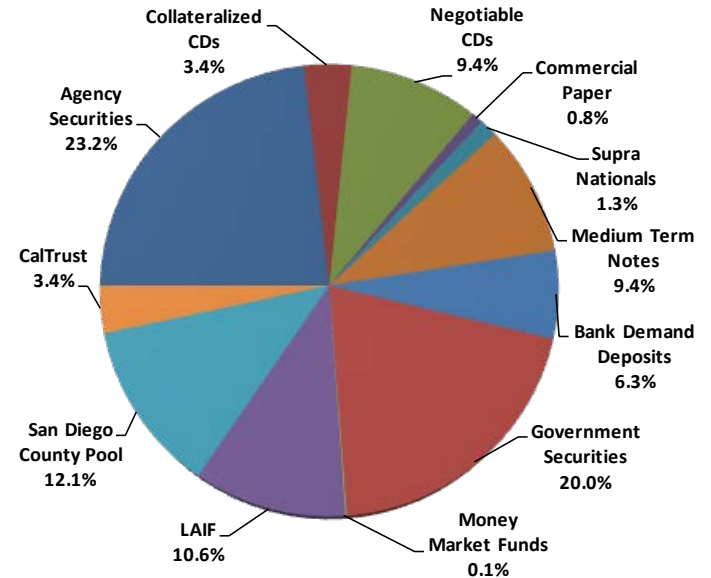
## Notes:

(1) Decrease in portfolio value is primarily due to capital expenditures exceeding capital receipts.



# Portfolio Composition by Security Type

	July 31, 2017		June 30, 2017		Permitted by Policy
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio	
Agency Securities	\$ 105,112,000	23.2%	\$ 109,437,000	23.8%	100%
Collateralized CDs	15,436,000	3.4%	15,415,000	3.3%	30%
Negotiable CDs	42,576,000	9.4%	46,593,000	10.1%	30%
Commercial Paper	3,489,000	0.8%	8,485,000	1.8%	25%
Supra Nationals	5,990,000	1.3%	5,982,000	1.3%	30%
Medium Term Notes	42,639,000	9.4%	39,564,000	8.6%	15%
Bank Demand Deposits	28,335,000	6.3%	31,400,000	7.0%	100%
Government Securities	90,695,000	20.0%	85,201,000	18.5%	100%
Money Market Funds	291,000	0.1%	631,000	0.1%	20%
LAIF	48,180,000	10.6%	48,114,000	10.4%	\$65 million <sup>(1)</sup>
San Diego County Pool	54,718,000	12.1%	54,555,000	11.8%	\$65 million <sup>(2)</sup>
CalTrust	15,326,000	3.4%	15,297,000	3.3%	\$65 million <sup>(3)</sup>
<b>Total:</b>	<b>\$ 452,787,000</b>	<b>100.0%</b>	<b>\$ 460,674,000</b>	<b>100.0%</b>	

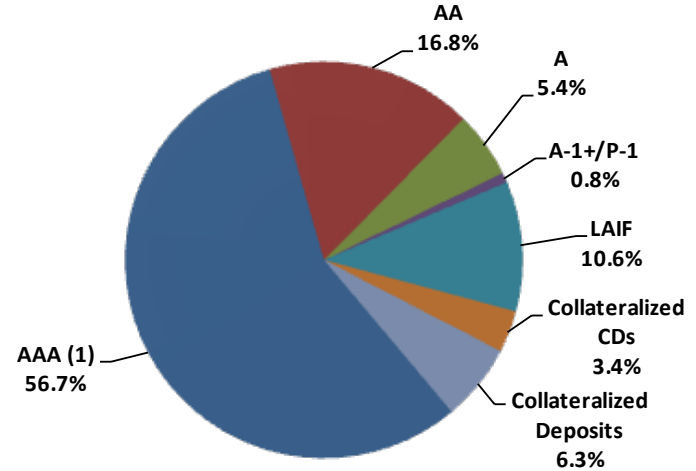


## Notes:

- 1.) The \$65 million limit on LAIF is a non-statutory LAIF internal limit. It does not apply to bond proceeds.
- 2.) The San Diego County Investment Pool mirrors the LAIF internal limit and does not apply to bond proceeds.
- 3.) The CalTrust mirrors the LAIF internal limit and does not apply to bond proceeds.

# Portfolio Composition by Credit Rating

	July 31, 2017		June 30, 2017	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
AAA <sup>(1)</sup>	\$ 256,805,000	56.7%	\$ 255,806,000	55.7%
AA	75,902,000	16.8%	76,847,000	16.7%
A	24,639,000	5.4%	24,607,000	5.3%
A-1+/P-1	3,489,000	0.8%	8,485,000	1.8%
LAIF	48,180,000	10.6%	48,114,000	10.4%
Collateralized CDs	15,435,000	3.4%	15,414,000	3.3%
Collateralized Deposits	28,337,000	6.3%	31,401,000	6.8%
<b>Total:</b>	<b>\$ 452,787,000</b>	<b>100.0%</b>	<b>\$ 460,674,000</b>	<b>100.0%</b>

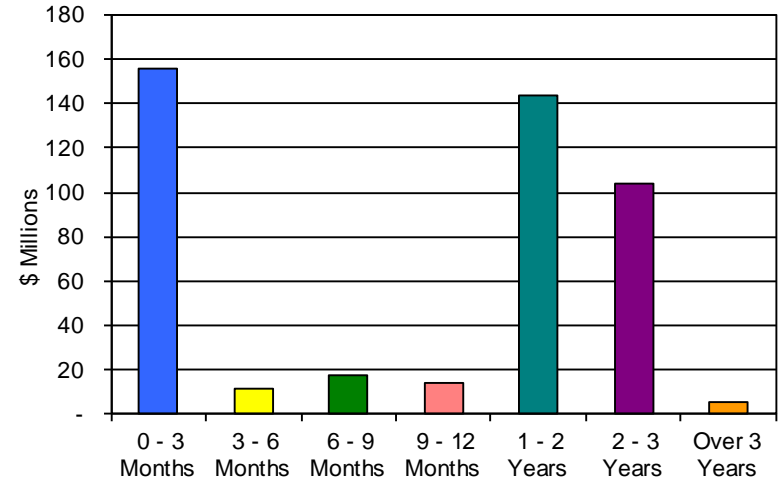


**Notes:**

1.) Includes investments that have split ratings between S&P (AA+), Moodys (AAA) and Fitch (AAA)

# Portfolio Composition by Maturity <sup>(1)</sup>

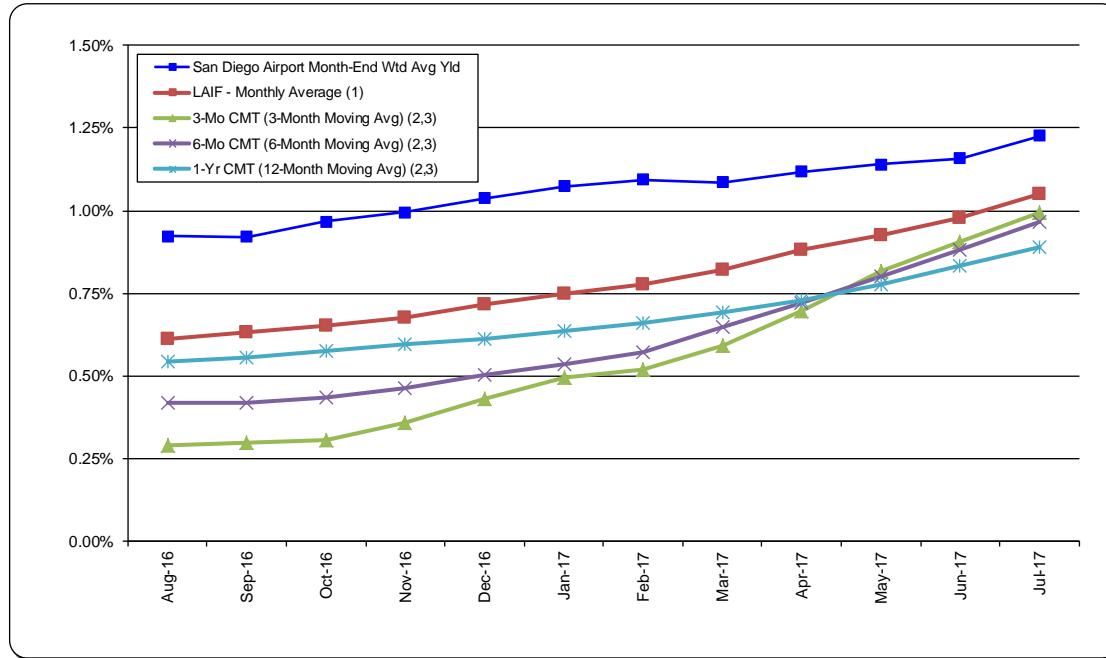
	July 31, 2017		June 30, 2017	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
0 - 3 Months	\$ 155,391,000	34.3%	\$ 169,365,000	36.9%
3 - 6 Months	11,509,000	2.5%	18,542,000	4.1%
6 - 9 Months	17,975,000	4.0%	14,521,000	3.2%
9 - 12 Months	13,968,000	3.1%	23,355,000	5.1%
1 - 2 Years	144,109,000	31.8%	127,168,000	27.8%
2 - 3 Years	104,418,000	23.1%	104,723,000	22.9%
Over 3 Years	5,417,000	1.2%	-	0.0%
<b>Total:</b>	<b>\$ 452,787,000</b>	<b>100.0%</b>	<b>\$ 457,674,000</b>	<b>100.0%</b>



**Notes:**

1.) The 0-3 Quarter category includes investments held in the LAIF, CalTrust, and the San Diego County Investment Pool.

# Benchmark Comparison



**Notes:**

- 1.) Benchmark data for LAIF is the average monthly effective yield.
- 2.) CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities.
- 3.) The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year CMT is the daily average for the previous 12-months.

# Detail of Security Holdings As of July 31, 2017

Settlement Date	Security Description	Coupon	Maturity Date	Par Value	Purchase Price	Book Value	Market Price	Market Value	Days to Maturity	Yield to Maturity
10/16/15	FNMA	1.125	10/19/18	5,000,000	100.550	5,027,500	99.77	4,988,250	445	0.939
08/15/16	FHLB	0.625	08/07/18	4,000,000	99.624	3,985,680	99.38	3,975,120	372	0.808
10/21/16	FHLB	0.875	08/05/19	12,000,000	99.568	11,948,160	98.94	11,872,200	735	1.032
10/07/16	FHLB	1.000	09/26/19	10,000,000	99.727	9,972,700	99.10	9,909,500	787	1.094
06/29/16	FNMA	1.125	06/21/19	10,400,000	100.857	10,497,978	99.45	10,342,384	690	0.833
02/03/16	FNMA	1.375	01/28/19	6,000,000	100.842	6,050,520	100.03	6,001,920	546	1.088
05/16/16	FNMA	1.000	02/26/19	5,000,000	100.116	5,005,800	99.44	4,971,750	575	0.957
04/20/16	FHLB	1.125	04/15/19	8,000,000	100.319	8,020,420	99.61	7,968,640	623	1.016
12/08/16	FHLB	1.250	01/16/19	2,950,000	99.996	2,949,882	99.87	2,946,077	534	1.252
05/16/17	FHLB	1.875	03/13/20	3,000,000	100.836	3,025,080	100.97	3,029,010	956	1.571
07/08/16	FHLMC	1.250	08/01/19	5,000,000	101.285	5,064,250	99.72	4,985,950	731	0.824
09/06/16	FNMA	1.000	08/28/19	13,500,000	99.836	13,477,860	99.12	13,381,200	758	1.056
02/28/17	FNMA	1.500	02/28/20	13,050,000	99.936	13,003,050	99.80	13,024,442	942	1.529
08/02/16	FNMA	0.875	08/02/19	7,800,000	99.832	7,786,896	98.92	7,715,916	732	0.932
<b>Agency Total</b>				<b>105,700,000</b>		<b>105,815,776</b>		<b>105,112,358</b>	<b>710</b>	<b>1.072</b>
07/02/16	East West Bk CD	1.550	07/07/19	10,384,407	100.000	10,360,123	100.00	10,384,407	706	1.550
10/21/16	East West Bk CD	0.500	10/24/17	5,050,589	100.000	5,050,589	100.00	5,050,589	85	0.700
<b>Collateralized CDs Total</b>				<b>15,434,996</b>		<b>15,410,712</b>		<b>15,434,996</b>	<b>502</b>	<b>1.271</b>

# Detail of Security Holdings As of July 31, 2017

Settlement Date	Security Description	Coupon	Maturity Date	Par Value	Purchase Price	Book Value	Market Price	Market Value	Days to Maturity	Yield to Maturity
03/09/16	US Bank CD	1.060	03/09/18	4,000,000	100.000	4,000,000	100.00	4,000,000	221	1.060
11/17/15	SKANDINAV ENSKD CD	1.480	11/16/17	4,500,000	100.000	4,500,000	100.00	4,500,000	108	1.480
02/09/17	BK OF MONTREAL YC/D	1.880	02/07/19	5,000,000	100.000	5,000,000	100.51	5,025,400	556	1.880
12/05/16	NORDEA BK FINL YC/D	1.760	11/30/18	4,000,000	100.000	4,000,000	100.33	4,013,360	487	1.760
12/05/16	CANADIAN IMP BK YC/D	1.760	11/30/18	5,000,000	99.922	4,996,100	100.33	5,016,700	487	1.800
11/18/15	HSBC BK C/D	0.954	11/17/17	4,000,000	100.000	4,000,000	100.18	4,007,080	109	0.954
05/04/17	SUMITOMO MITSUI YC/D	2.050	05/03/19	3,000,000	100.080	3,000,000	100.00	3,000,000	641	2.050
03/16/16	Toronto Dominion CD	1.720	03/14/18	5,000,000	100.000	5,000,000	100.20	5,009,800	226	1.720
04/06/17	BK NOVA SCOTIA YC/D	1.910	04/05/19	4,000,000	100.000	4,000,000	99.92	3,996,720	613	1.910
03/15/16	ROYAL BK CDA Y C/D	1.700	03/09/18	4,000,000	100.000	4,000,000	100.17	4,006,840	221	1.700
<b>Negotiable CDs Total</b>				<b>42,500,000</b>		<b>42,496,100</b>		<b>42,575,900</b>	<b>361</b>	<b>1.632</b>
04/28/17	BANK OF TOKYO MITS DC/P	1.370	10/25/17	3,500,000	99.315	3,476,025	99.70	3,489,325	86	1.379
<b>Commercial Paper Total</b>				<b>3,500,000</b>		<b>3,476,025</b>		<b>3,489,325</b>	<b>86</b>	<b>1.379</b>
04/28/17	INTL BK RECON & DEV	1.875	04/21/20	3,000,000	100.685	3,020,550	100.62	3,018,480	995	1.638
04/21/16	INTER-AMER DEV BANK	1.000	05/13/19	3,000,000	99.714	2,991,420	99.05	2,971,530	651	1.095
<b>Supranationals</b>				<b>6,000,000</b>		<b>6,011,970</b>		<b>5,990,010</b>	<b>824</b>	<b>1.368</b>
05/12/15	APPLE INC NOTES	1.000	05/03/18	4,000,000	99.121	3,964,840	99.72	3,988,720	276	1.302
12/12/16	BK NEW YORK NTS	2.300	09/11/19	2,000,000	101.107	2,022,140	101.03	2,020,640	772	1.884
10/14/16	TOYOTA MOTOR CR CORP	2.125	07/18/19	1,000,000	101.670	1,016,700	100.94	1,009,390	717	1.505
10/14/16	TOYOTA MTR CR CORP	1.400	05/20/19	1,500,000	99.906	1,498,590	99.69	1,495,395	658	1.437
10/14/16	AMERICAN HONDA BDS	1.200	07/12/19	2,495,000	99.241	2,476,063	99.16	2,473,967	711	1.483
07/17/15	GECC MTN	1.625	04/02/18	4,950,000	105.364	4,968,018	100.17	4,958,316	245	1.487
12/28/15	JPM CHASE & CO NT	1.800	01/25/18	1,500,000	99.888	1,498,320	100.13	1,501,875	178	1.855
11/19/14	CHEVRON CORP	1.345	11/15/17	1,500,000	100.199	1,502,985	99.98	1,499,670	107	1.345
05/15/17	CHEVRON CORP	1.991	03/03/20	3,500,000	100.275	3,509,660	100.48	3,516,660	946	1.889
02/29/16	CISCO SYSTEMS	1.600	02/28/19	3,000,000	100.330	3,009,900	100.11	3,003,150	577	1.487
02/24/16	IBM CORP NOTES	1.800	05/17/19	3,000,000	100.119	3,003,570	100.41	3,012,360	655	1.761
05/15/17	JPM CHASE & CO MTN	2.250	01/23/20	3,500,000	100.267	3,509,345	100.72	3,525,340	906	2.144
07/28/17	EXXON MOBIL CORP	1.912	03/06/20	3,000,000	100.381	3,011,430	100.53	3,016,020	949	1.757
06/06/16	WELLS FARGO CO MTN	2.150	01/15/19	4,600,000	101.427	4,665,642	100.68	4,631,372	533	1.589
09/14/15	AMERICAN EXPRESS MTN	1.800	07/31/18	2,980,000	99.759	2,972,818	100.20	2,986,079	365	1.886
<b>Medium Term Notes</b>				<b>42,525,000</b>		<b>42,630,021</b>		<b>42,638,954</b>	<b>573</b>	<b>1.660</b>

# Detail of Security Holdings As of July 31, 2017

Settlement Date	Security Description	Coupon	Maturity Date	Par Value	Purchase Price	Book Value	Market Price	Market Value	Days to Maturity	Yield to Maturity
12/23/15	U.S. Treasury	1.500	12/31/18	15,200,000	100.516	15,295,391	100.27	15,240,432	518	1.325
05/11/17	U.S. Treasury	1.500	05/31/20	5,000,000	99.754	4,987,695	100.04	5,002,150	1035	1.583
01/09/17	U.S. Treasury	1.250	01/31/20	7,000,000	99.170	6,940,820	99.57	6,969,620	914	1.530
11/13/15	U.S. Treasury	1.250	11/30/18	11,000,000	100.234	11,002,578	99.95	10,993,950	487	1.242
02/03/16	U.S. Treasury	1.375	02/28/19	2,950,000	100.988	2,979,154	100.09	2,952,537	577	1.047
06/10/15	U.S. Treasury	1.000	05/31/18	10,000,000	99.762	9,976,172	99.80	9,979,700	304	1.082
04/20/16	U.S. Treasury	1.000	09/15/18	4,900,000	100.367	4,917,992	99.68	4,884,516	411	0.845
03/04/16	U.S. Treasury	1.625	03/31/19	5,850,000	101.793	5,954,889	100.48	5,878,139	608	1.031
12/05/16	U.S. Treasury	1.500	11/30/19	13,400,000	100.125	13,416,750	100.23	13,430,954	852	1.457
07/28/17	U.S. Treasury	1.625	07/31/20	5,400,000	100.203	5,410,969	100.32	5,417,064	1096	1.556
05/06/16	U.S. Treasury	1.250	10/31/18	9,950,000	101.066	10,034,779	99.96	9,945,722	457	0.816
	<b>Government Total</b>			<b>90,650,000</b>		<b>90,917,189</b>		<b>90,694,783</b>	<b>628</b>	<b>1.241</b>
	East West Bank			104,502	100.000	104,502	100.00	104,502	1	0.860
	East West Bank			22,488,032	100.000	22,488,032	100.00	22,488,032	1	0.860
	US Bank General Acct			5,744,003	100.000	5,744,003	100.00	5,744,003	1	0.000
	<b>Bank Demand Deposits</b>			<b>28,336,537</b>		<b>28,336,537</b>		<b>28,336,537</b>	<b>1</b>	<b>0.686</b>
	DREYFUS GOVT INVEST			290,603	100.000	290,603	100.00	290,603	1	0.000
	<b>Money Market Fund</b>			<b>290,603</b>		<b>290,603</b>		<b>290,603</b>	<b>1</b>	<b>0.000</b>
	Local Agency Invstmnt Fd			48,230,601	100.000	48,230,601	99.89	48,179,627	1	1.051
	San Diego County Inv Pool			54,717,026	100.000	54,717,026	100.00	54,717,570	1	1.283
	CalTrust			15,326,016	100.000	15,326,016	100.00	15,326,016	1	1.107
	<b>Grand Total</b>			<b>\$ 453,210,778</b>	<b>100.18</b>	<b>\$ 453,658,576</b>	<b>99.81</b>	<b>\$ 452,786,679</b>	<b>408</b>	<b>1.226</b>

# Portfolio Investment Transactions

## From July 1<sup>st</sup>, 2017 - July 31<sup>st</sup>, 2017

Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
<b>PURCHASES</b>								
07/28/17	EXXON MOBIL CORP	MTN	30231GAG7	1.912	03/06/20	--	100.381	\$ 3,034,055
07/28/17	US TREAS NTS	US TREAS NTS	912828XM7	1.625	07/31/20	--	100203125.000	5,454,117
								<b>\$ 8,488,172</b>
<b>CALLS</b>								
								<b>\$ -</b>
<b>MATURITIES</b>								
01/09/17	BNP PARIBAS FIN DC/P	CP	09659BU73		07/07/17	--		\$ 5,000,000
								<b>\$ 5,000,000</b>
<b>DEPOSITS</b>								
								<b>\$ -</b>
<b>WITHDRAWALS / SALES / TRANSFERS</b>								
07/28/17	FNMA	AGCY	3135G0J61	0.875	03/28/18	--	99.766	\$ 4,452,566
07/28/17	US BK NA CINCIN C/D	CD-NEG	90333VPP1	1.375	09/11/17	--	100.000	4,020,931
								<b>\$ 8,473,497</b>



# Bond Proceeds Summary

## SUMMARY OF 2010, 2013 & 2014 BOND PROCEEDS\*

**As of: July 31, 2017**

(in thousands)

	Series 2010	Series 2013	Series 2014	Total	Yield	Rating
<b><u>Project Fund</u></b>						
SDCIP	\$ -	\$ 1,721	\$ 33	\$ 1,754	1.28% <sup>1)</sup>	AAAf
	\$ -	\$ 1,721	\$ 33	\$ 1,754		
<b><u>Debt Service Reserve &amp; Coverage Funds</u></b>						
SDCIP	\$ 30,406	\$ 33,322	\$ 28,899	\$ 92,627	1.28% <sup>1)</sup>	AAAf
East West Bank CD	21,107	-	-	21,107	0.80%	N/R
	\$ 51,513	\$ 33,322	\$ 28,899	\$ 113,734		
	\$ 51,513	\$ 35,043	\$ 28,932	\$ 115,488	1.19%	

\*Bond proceeds are not included in deposit limits as applied to operating funds

1) SDCIP Yield as of 6/30/17

# Bond Proceeds Investment Transactions

## From July 1<sup>st</sup>, 2017 - July 31<sup>st</sup>, 2017

Settle Date	Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
<b>PURCHASES</b>								
							\$	-
<b>CALLS</b>								
							\$	-
<b>MATURITIES</b>								
							\$	-
<b>DEPOSITS</b>								
							\$	-
<b>WITHDRAWALS / SALES</b>								
							\$	-



**SAN DIEGO**  
INTERNATIONAL AIRPORT

LET'S **GO.**

# Portfolio Strategy update

September 7, 2017

Presented by: John Dillon

Director, Financial Management and Planning

# Background

- PFM Asset Management (PFM) manages all investment classes in the SDCRAA portfolio with the exception of local agency pools (e.g. LAIF, SDCIP), money market funds and bank accounts
- Current value of portfolio managed by PFM is \$286.8 million
- In 2013 the Authority selected the 1-3 Year Treasury Index to be the target duration for the SDCRAA portfolio managed by PFM.
  - Provides high level of liquidity within the portfolio
  - Allows Authority to generate returns at least commensurate with 2-year Treasuries
  - Expectation of rate increases

# *Characteristics of PFM Managed portfolio*

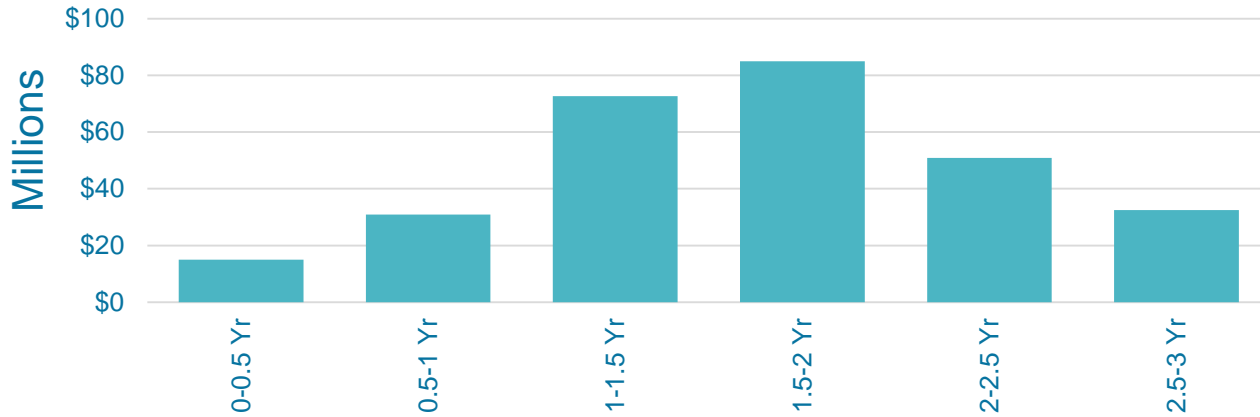
*As of July 31, 2017*

Par Amount Invested	\$286,860,000
Average Duration	1.64 years
Average Yield	1.31%

# Characteristics of PFM Managed portfolio

As of July 31, 2017

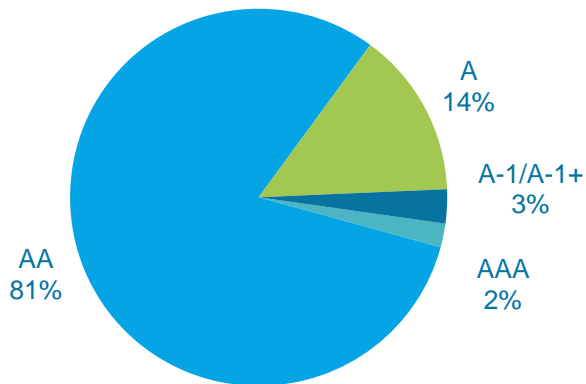
## Duration Distribution



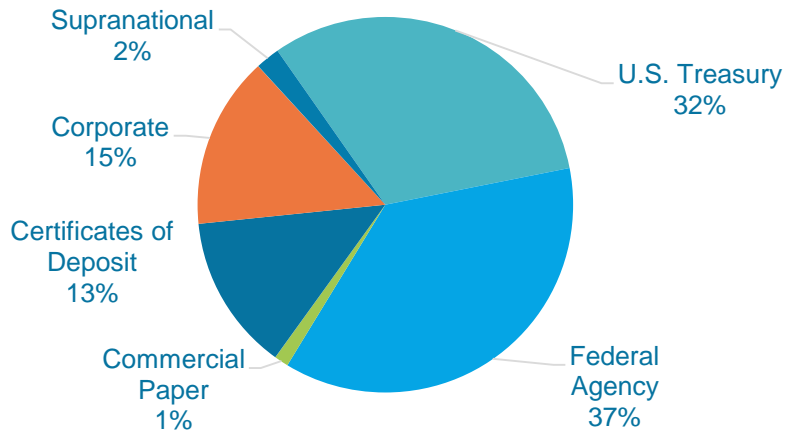
# Characteristics of PFM Managed portfolio

As of July 31, 2017

## Credit Quality



## Sector Allocation



Standard & Poor's Ratings Utilized

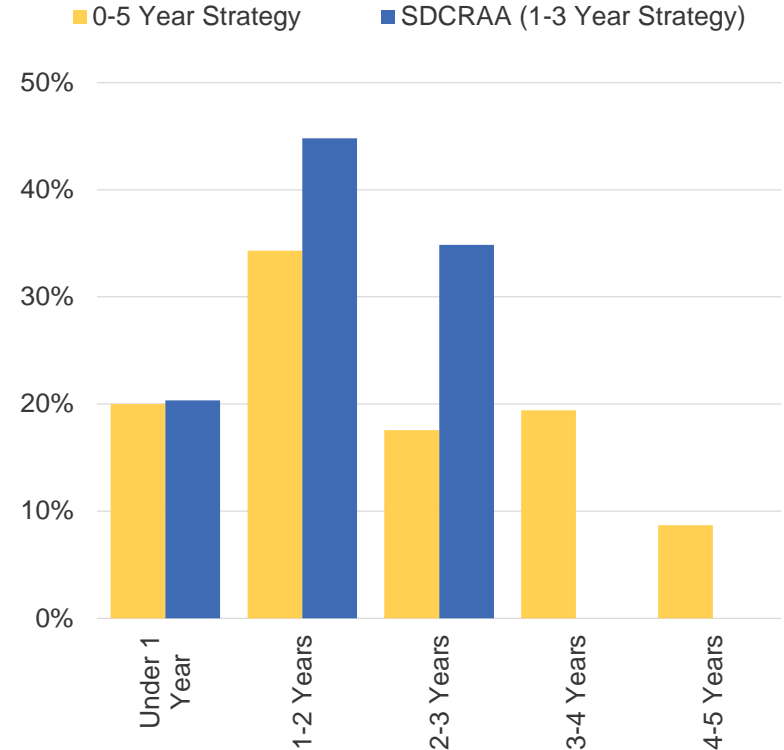
AA Grouping contains - US Treasuries, Federal Agency, Corporate Bonds & Negotiated Certificates of Deposit

Moody's & Fitch Ratings for US Treasuries & Federal Agency AAA

# Change to Duration Target

- Federal Reserve has acted in last 12 months to increase overnight rates.
- Authority's intention is to transition to a 0-5 year duration target for PFM managed investments
- Change will extend duration modestly from the current target of 1.89 years to a new target of 2.18 years
- Duration change to be phased in progressively over 4 month time frame

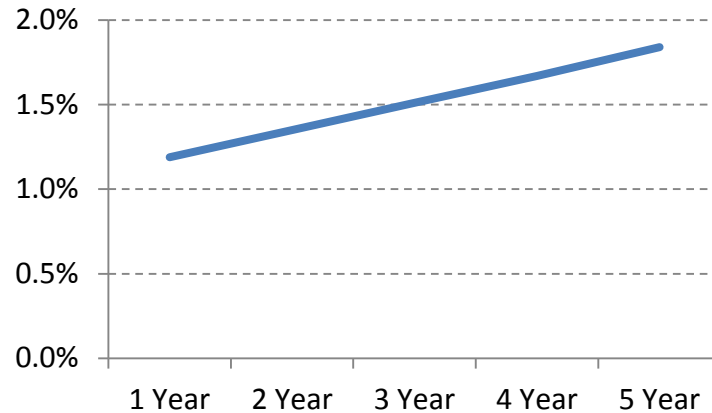
Duration Distribution





# Change to Duration Target - Yield

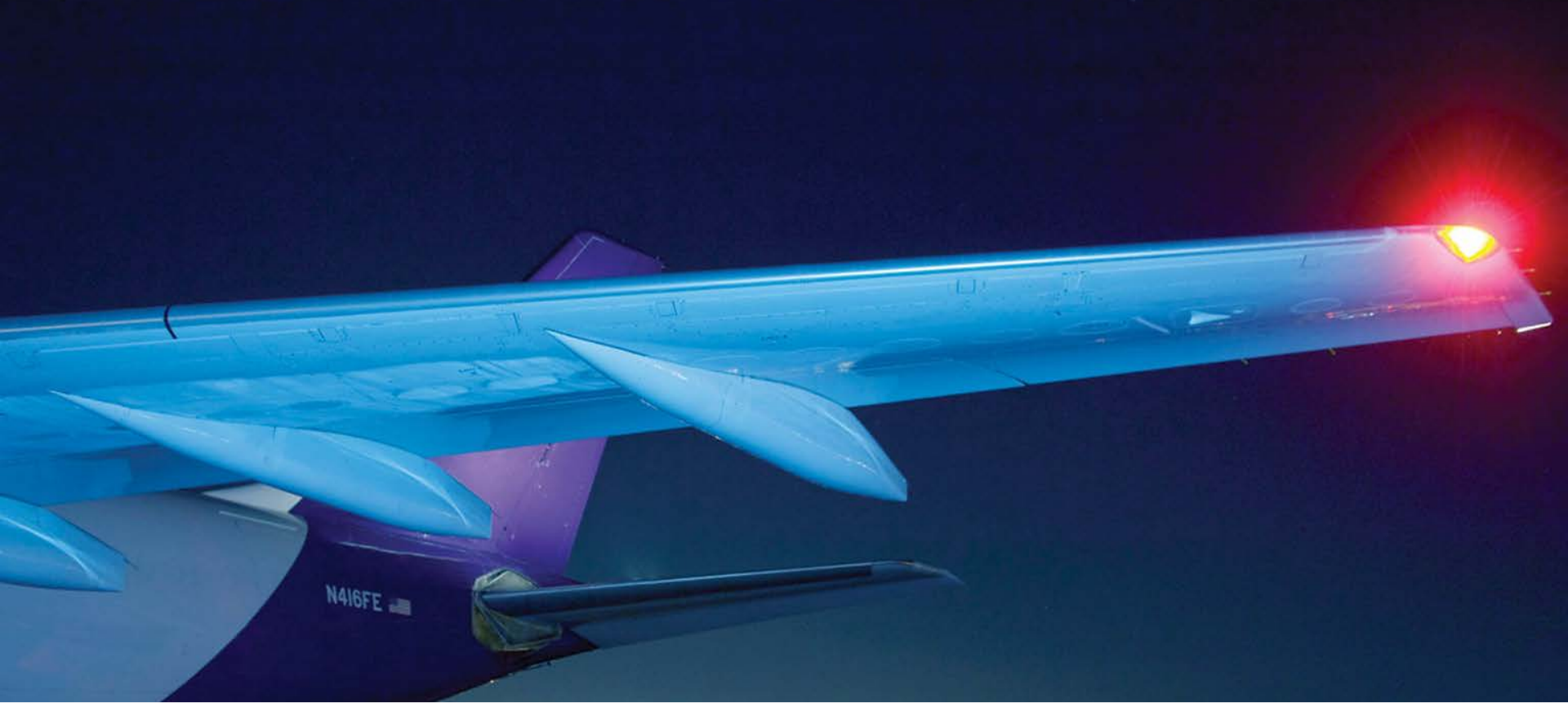
- Despite flat yield curve, it is still advantageous to extend the portfolio duration.



- Average annual yield over the last 10 years of **2.20%** for a 0-5 year duration target portfolio vs **1.91%** for a 1-3 year duration target portfolio

# *Change to Duration Target - Liquidity*

- Days cash on hand (DCOH) has risen from 550 days to over 800 days over the last 5 years
- The Authority has managed liquidity needs with net revenues, Bond Funds and Revolving Debt Obligations
- DCOH likely will fall modestly over next 24 months but Liquidity requirements can be managed by accessing funds in local agency pool investments and timing the maturity of securities in the portfolio to match anticipated cash flows.



Questions ?

# SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

## STAFF REPORT

Meeting Date: **SEPTEMBER 7, 2017**

---

### Subject:

**Business and Travel Expense Reimbursement Reports for Board Members, President/CEO, Chief Auditor and General Counsel When Attending Conferences, Meetings, and Training at the Expense of the Authority**

### Recommendation:

For information only.

### Background/Justification:

Authority Policy 3.30 (2)(b) and (4)(b) require that business expenses reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting. Authority Policy 3.40 (2)(b) and (3)(b) require that travel expense reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting.

The attached reports are being presented to comply with the requirements of policies 3.30 and 3.40

### Fiscal Impact:

Funds for Business and Travel Expenses are included in the FY 2017-2018 Budget.

### Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

- A. This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended. 14 Cal. Code Regs. §15378. This Board action is not a “project” subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Application of Inclusionary Policies:**

Not applicable.

**Prepared by:**

TONY R. RUSSELL  
DIRECTOR, CORPORATE & INFORMATION GOVERNANCE/AUTHORITY CLERK

# **TRAVEL REQUEST**

**GREG COX**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
OUT-OF-TOWN TRAVEL REQUEST**

**GENERAL INSTRUCTIONS:**

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

**1. TRAVELER:**

Travelers Name: Greg Cox Dept: 2  
Position:  Board Member  President/CEO  Gen. Counsel  Chief Auditor  
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 06/26/2017 PLANNED DATE OF DEPARTURE/RETURN: 09/24/2017 / 09/27/2017

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip- continue on extra sheets of paper as necessary):

Destination: Washington, DC Purpose: Attend Conference  
Explanation: San Diego Regional Chamber of Commerce "Mission to Washington D.C."

**4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES**

**A. TRANSPORTATION COSTS:**

• AIRFARE	\$ 700.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$ 150.00
B. LODGING	\$ 1,200.00
C. MEALS	\$ 215.00
D. SEMINAR AND CONFERENCE FEES	\$ 1,300.00
E. ENTERTAINMENT (If applicable)	\$
F. OTHER INCIDENTAL EXPENSES	\$ 50.00
<b>TOTAL PROJECTED TRAVEL EXPENSE</b>	<b>\$ 3,615.00</b>

**CERTIFICATION BY TRAVELER** By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: Greg Cox Date: 6/26/17

**CERTIFICATION BY ADMINISTRATOR** (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: [Signature] Date: 6/26/17

**AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE**

i. Tony R. Russell, Authority Clerk, hereby certify that this document was approved  
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)  
by the Executive Committee at its 6/28/17 meeting.  
(Leave blank and we will insert the meeting date.)



San Diego

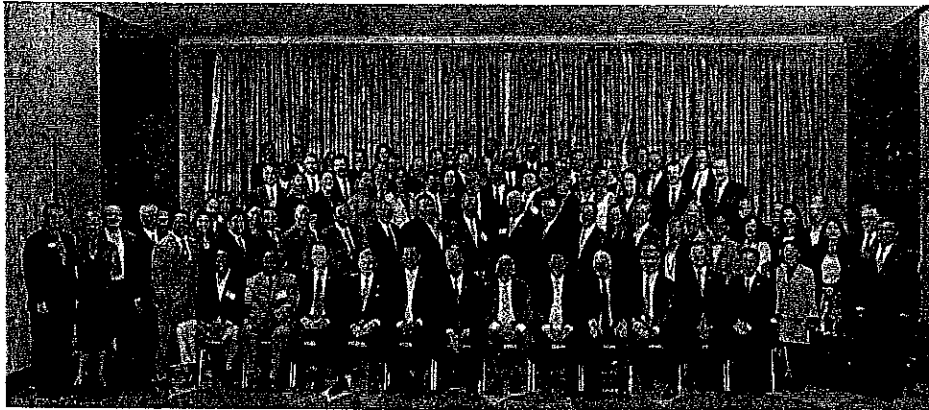


([HTTP://SDCHAMBER.ORG/](http://SDCHAMBER.ORG/))

« All Events (<http://sdchamber.org/events/>)

## MISSION TO WASHINGTON D.C.

September 24 @ 7:00 pm - September 27 @ 12:00 pm



Join the largest binational delegation to Washington, D.C. to voice your business needs and collaborate with San Diego's business leaders while meeting with the nation's top legislators and policy officials.

Attendees will have the unique opportunity to:

- **Participate in high-level meetings** with U.S. administration officials and agencies, such as Department of Transportation, U.S. Customs & Border Protection, Department of State, Housing & Urban Development and many others
- **Gain access** to our country's key decision makers and advocate for local and regional issues important to business growth and creation of jobs in the Cali-Baja region
- **Network and make invaluable connections** elected officials on the local, state and federal level, as well as other community members

**Mission Priorities:** Transportation & Infrastructure • Healthcare • Energy & Water Reliability • International Trade & Cross Border Commerce • Defense & Veterans • Regulatory & Tax Reform

## EVENT DETAILS

**Date & Time:** Sunday, September 24 (7:00 PM) – Wednesday, September 27 (12:00 PM), 2017

**Location:** The Mayflower Hotel, 1127 Connecticut Ave NW, Washington, DC 20036

**Event Contact:** Katie Tran | Ph: 619-544-1370 | Email: [ktran@sdchamber.org](mailto:ktran@sdchamber.org) (<mailto:ktran@sdchamber.org>)

*Para obtener información sobre cómo asistir "Misión a Washington DC" favor de comunicarse con Zenia: [kzamarripa@sdchamber.org](mailto:kzamarripa@sdchamber.org) (<mailto:kzamarripa@sdchamber.org>).*  
 (<mailto:ktran@sdchamber.org>)

Click here (</wp-content/uploads/2016/02/Agenda-09-23.pdf>) to view last year's trip itinerary.

San Diego



([HTTP://SDCHAMBER.ORG/](http://SDCHAMBER.ORG/))

## HOTEL INFORMATION

The Mayflower Hotel (<http://www.marriott.com/hotels/travel/wasak-the-mayflower-hotel-autograph-collection/>)  
1127 Connecticut Avenue, NW | Washington, D.C. 20036

We have secured a special room rate of \$304++ per night for standard rooms between September 24-27, 2017. **Reserve online here** (<https://aws.passkey.com/event/49214914/owner/1261/home>) or call 877-212-5752 and mention the "San Diego Regional Chamber" room block.

Reservations must be made by 3:00 pm (PT), Thursday, September 5, 2017. After September 5, the hotel will confirm reservations based on availability at the current rate.

## APPLICATION & FEES

The participation fees below do not include hotel or airfare. Fees include hosted events and meetings.

All applications must be submitted by Tuesday, September 19.

**Before 07/28/17:**

Chamber members: \$1,800

Additional attendee or spouse/companion: \$1,300

Non-members: \$2,800

**07/29/17 – 09/08/17:**

Chamber members: \$2,300

Additional attendee or spouse/companion: \$1,300

Non-members: \$2,800

**09/08/17 – 09/19/17:**

All applicants: \$3200

APPLY NOW  
 ([HTTP://WWW.CVENT.COM/D/W5QD2H/4W](http://WWW.CVENT.COM/D/W5QD2H/4W))

## THANK YOU SPONSORS

**AMY GONZALEZ**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**OUT-OF-TOWN TRAVEL REQUEST**

**GENERAL INSTRUCTIONS:**

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

**1. TRAVELER:**

Travelers Name: Amy Gonzalez Dept: 15

Position:  Board Member  President/CEO  Gen. Counsel  Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 7/24/17 PLANNED DATE OF DEPARTURE/RETURN: 9/15/17 / 9/20/17

**3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):**

Destination: Forth Worth, TX Purpose: ACI-NA Annual Conference & Exhibition  
Explanation: ACI-NA Annual Conference & Exhibition

**4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES**

**A. TRANSPORTATION COSTS:**

- AIRFARE \$ 600.00
- OTHER TRANSPORTATION (Taxi, Train, Car Rental) \$ 0.00

B. LODGING \$ 1328.00

C. MEALS \$ 250.00

D. SEMINAR AND CONFERENCE FEES \$ 795.00

E. ENTERTAINMENT (If applicable) \$

F. OTHER INCIDENTAL EXPENSES \$

**TOTAL PROJECTED TRAVEL EXPENSE** \$

**CERTIFICATION BY TRAVELER** By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: Amy L Date: 7-18-17

**CERTIFICATION BY ADMINISTRATOR** (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE**

I, \_\_\_\_\_, hereby certify that this document was approved  
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)  
by the Executive Committee at its \_\_\_\_\_ meeting.  
(Leave blank and we will insert the meeting date.)

**MARK KERSEY**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**OUT-OF-TOWN TRAVEL REQUEST**

**GENERAL INSTRUCTIONS:**

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**1. TRAVELER:**

Travelers Name: Mark Kersey Dept: 2  
Position:  Board Member  President/CEO  Gen. Counsel  Chief Auditor  
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 08/02/2017 PLANNED DATE OF DEPARTURE/RETURN: 09/24/2017 / 09/27/2017

**3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):**

Destination: Washington, DC Purpose: Attend Conference  
Explanation: San Diego Regional Chamber of Commerce "Mission to Washington D.C."

**4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES**

**A. TRANSPORTATION COSTS:**

• AIRFARE	\$ 700.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$ 150.00
B. LODGING	\$ 1,200.00
C. MEALS	\$ 215.00
D. SEMINAR AND CONFERENCE FEES	\$ 1,300.00
E. ENTERTAINMENT (If applicable)	\$
F. OTHER INCIDENTAL EXPENSES	\$ 50.00
<b>TOTAL PROJECTED TRAVEL EXPENSE</b>	<b>\$ 3,615.00</b>


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→ Travelers Signature:  Date: \_\_\_\_\_

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→ Administrator's Signature:  Date: 8/11/17

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San Diego



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 (<mailto:ktran@sdchamber.org>)

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San Diego



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Non-members: \$2,800

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Chamber members: \$2,300

Additional attendee or spouse/companion: \$1,300

Non-members: \$2,800

### 09/08/17 – 09/19/17:

All applicants: \$3200

APPLY NOW

([HTTP://WWW.CVENT.COM/D/W5QD2H/4W](http://www.cvent.com/d/W5QD2H/4W))

## THANK YOU SPONSORS



# **TRAVEL EXPENSE**

**MARK BURCHYETT**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
TRAVEL EXPENSE REPORT**

*(To be completed within 30 days from travel return date)*

TRAVELER: Mark Burchyett DEPT. NAME & NO. \_\_\_\_\_ Audit #16  
 DEPARTURE DATE: 6/24/2017 RETURN DATE: 6/30/2017 REPORT DUE: 7/30/17  
 DESTINATION: Boston, Massachusetts - Association of Airport Internal Auditors Conference

*Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.*

	Authority Expenses (Prepaid by Authority)	Employee Expenses							TOTALS
		SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	
		6/25/17	6/26/17	6/27/17	6/28/17	6/29/17	6/30/17	6/24/17	
Air Fare, Railroad, Bus (attach copy of itinerary w/charges)	540.40								0.00
Conference Fees (provide copy of flyer/registration expenses)	600.00								0.00
Rental Car*									0.00
Gas and Oil*									0.00
Garage/Parking*									0.00
Mileage - attach mileage form*									0.00
Taxi and/or Shuttle Fare (include tips pd.)*					5.50		42.30	37.55	85.35
Hotel*		284.98	284.98	284.98	284.98			284.98	1,424.90
Telephone, Internet and Fax*									0.00
Laundry*									0.00
Tips - separately paid (maids, bellhop, other hotel svcs.)					5.00			5.00	10.00
Meals (include tips pd.)	Breakfast*	6.92	4.01	4.01	4.01			4.47	23.42
	Lunch*	4.21			11.72			10.00	25.93
	Dinner*		60.86		24.33			14.97	100.16
	Other Meals*								0.00
<i>Alcohol is a non-reimbursable expense</i>									
Hospitality <sup>1</sup> *									0.00
Miscellaneous: Baggage Fees							25.00	25.00	50.00
									0.00
									0.00
*Provide detailed receipts									0.00
<b>Total Expenses prepaid by Authority</b>	<b>1,140.40</b>	<b>296.11</b>	<b>349.85</b>	<b>288.99</b>	<b>335.54</b>	<b>0.00</b>	<b>67.30</b>	<b>381.97</b>	<b>1,719.76</b>

Explanation:

Total Expenses Prepaid by Authority	1,140.40
Total Expenses Incurred by Employee (including cash advances)	1,719.76
<b>Grand Trip Total</b>	<b>2,860.16</b>
Less Cash Advance (attach copy of Authority ck)	
Less Expenses Prepaid by Authority	1,140.40
<b>Due Traveler (positive amount)<sup>2</sup></b>	
<b>Due Authority (negative amount)<sup>3</sup></b>	<b>1,719.76</b>

*Note: Send this report to Accounting even if the amount is \$0.*

<sup>1</sup> Give names and business affiliations of any persons whose meals were paid by traveler.  
<sup>2</sup> Prepare Check Request  
<sup>3</sup> Attach personal check payable to SDCRAA

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy<sup>4</sup> and 3.30 - Business Expense Reimbursement Policy<sup>5</sup> and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.

Prepared By: Mark Burchyett Ext.: 2435  
 Traveler Signature: \_\_\_\_\_ Date: 7/3/17  
 Approved By: \_\_\_\_\_ Date: 7/6/17

**AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE** (To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)

Tony R. Russell, Authority Clerk hereby certify that this document was approved by the Executive Committee at its 8/28/17 meeting.  
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)  
 (Leave blank and we will insert the meeting date.)

*Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.*

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**OUT-OF-TOWN TRAVEL REQUEST**

**GENERAL INSTRUCTIONS:**

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**1. TRAVELER:**

Travelers Name: Mark Burchyett Dept: Chief Auditor  
Position:  Board Member  President/CEO  Gen. Counsel  Chief Auditor  
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 2/27/17 PLANNED DATE OF DEPARTURE/RETURN: 6/24/17 / 7/1/17

**3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):**

Destination: Boston MA Purpose: Attend the Association of Airport Internal Auditor Conf.  
Explanation: e

**4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES**

**A. TRANSPORTATION COSTS:**

• AIRFARE	\$ <u>425</u>
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$ _____
B. LODGING	\$ <u>900</u>
C. MEALS	\$ <u>500</u>
D. SEMINAR AND CONFERENCE FEES	\$ <u>500</u>
E. ENTERTAINMENT (If applicable)	\$ _____
F. OTHER INCIDENTAL EXPENSES	\$ _____
<b>TOTAL PROJECTED TRAVEL EXPENSE</b>	<b>\$ <u>2,325</u></b>

**CERTIFICATION BY TRAVELER** By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: [Signature] Date: 2/27/17

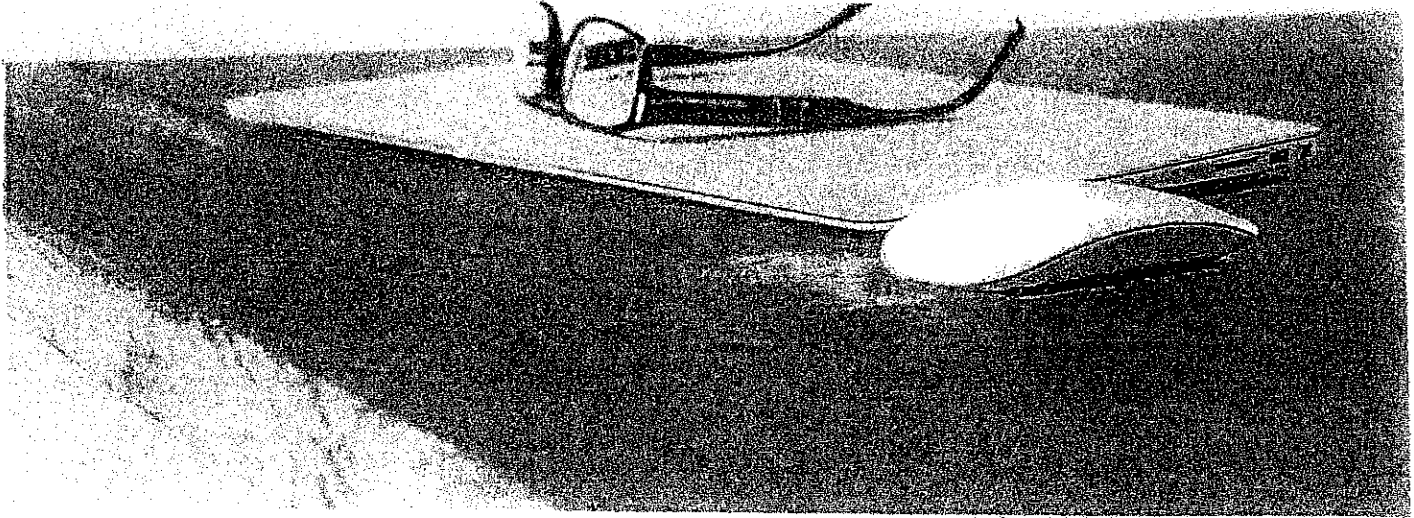
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Administrator's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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(Please leave blank. Whoever clerk's the meeting will insert their name and title.)  
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(Leave blank and we will insert the meeting date.)



## Invoice

**Invoice Number**

1948291-101140844

**Registration ID:**

101140844

**Registration Date:**

4/11/2017

**Invoice Date:**

4/11/2017

**Issued By:**

Association of Airport Internal Auditors

**Event:**

AAIA Annual Conference

**Date/Time:**

Sunday, June 25, 2017 6:00 AM - Wednesday, June 28, 2017 6:00 AM (Eastern Time)

## Billing Information

**Company/Organization**

San Diego County Regional Airport Authority

**Address:**

2722 Truxtun Road  
San Diego, CA 92106  
United States

**Phone:**

619-400-2435

**Email:**

mburchye@san.org

## Registrants

**Mark Burchyett**

Registration ID:

101140844

Company/Organization

 San Diego County Regional Airport  
 Authority

Registrant Type

Early Registration

## Fees

**Early Registrat Event Fee**

Quantity:

1

Unit Price:

\$600.00

Amount:

\$600.00

How many guest will you be bringing --- 1

**Guest**

Quantity:

1

Unit Price:

\$100.00

Amount:

\$100.00

**Subtotal:**
**\$700.00**
**Total:**
**\$700.00**

## Transactions

**Transaction Amount**

Date:

4/11/2017

Amount:

\$700.00

Balance:

\$700.00

**Current Balance:**
**\$700.00**
**Payment Method:**

Check

## Payment Instructions

If paying by check, please send to:

Association of Airport Internal Auditors

Conference Payment

c/o Laura Tatem, CPA, CIA, CGAP (AAIA Treasurer)

6803 Pleasant Oaks Place

Riverside, FL 33578

# BOSTON PARK PLAZA

Mark Burchyett  
[REDACTED]

San Marcos CA 92078  
United States of America

Room Number: 8054

Arrival date: 06/24/17

Departure date: 06/29/17

No. in party: 2 / 0

Account number:

Booking number:

Reference Number: BOSPAR10698

## INFORMATION INVOICE

Page # 1 of 1

Cashier: 275

06/30/17

Date	Description		Charges	Credits
06/24/17	Room Charge		249.00	
06/24/17	Room Tax		35.98	
06/25/17	Room Charge		249.00	
06/25/17	Room Tax		35.98	
06/26/17	Room Charge		249.00	
06/26/17	Room Tax		35.98	
06/27/17	Room Charge		249.00	
06/27/17	Room Tax		35.98	
06/28/17	Room Charge		249.00	
06/28/17	Room Tax		35.98	
06/29/17	Visa Card	XXXXXXXXXXXX [REDACTED]		1,424.90
	<b>Total</b>		<b>1,424.90</b>	<b>1,424.90</b>
	<b>Balance</b>		<b>0.00</b>	

Thank you for staying with us at Boston Park Plaza! We hope that you enjoyed your experience with us.

For your convenience, we have the following Express Checkout options:

- Through the guestroom television, simply choose 'Account Review' and opt to checkout
- Through your telephone, simply dial 4688 and leave a message with your room number

Thank you for staying with us! Have a safe trip home!

Signature \_\_\_\_\_

# BOSTON PARK PLAZA

Dear Mark Burchyett,

We are delighted that you will be our guest at Boston Park Plaza and are pleased to provide your confirmation number and reservation details.

Please note that a valid credit card must be presented upon arrival and you must be over 18 years of age.

The Boston Park Plaza Hotel offers Valet Parking for \$51 per night. Valet Parking Entrance Address: 34 Columbus Ave., Boston 02116. Thank you for your reservation and we look forward to your arrival.

**Boston Park Plaza**  
 50 PARK PLAZA AT ARLINGTON STREET  
 BOSTON, Massachusetts 02116, United States  
 Phone: 1-617-379.7129  
 E-mail: [reservations@bostonparkplaza.com](mailto:reservations@bostonparkplaza.com)  
 website: [www.bostonparkplaza.com](http://www.bostonparkplaza.com)

## Superior Queen - Reservation Confirmation #: BOSPAR106982452

<b>Guest Name:</b>	Mark Burchyett
<b>E-mail:</b>	solinzoc@san.org
<b>Additional Guests:</b>	Additional names not provided
<b>Check-in from:</b>	3:00 PM, Saturday, 24 June, 2017
<b>Check-out by:</b>	12:00 PM, Thursday, 29 June, 2017
<b>Number of Nights:</b>	5
<b>Number of Guests:</b>	Adults: 2, Children: 0
<b>Room Type:</b>	Superior Queen
<b>Smoking Preference:</b>	Non-smoking
<b>Rate Plan</b>	Association of Airport Internal Auditors
<b>Room Rate:</b>	Saturday, 24 June, 2017 : \$249.00 per Night Sunday, 25 June, 2017 : \$249.00 per Night Monday, 26 June, 2017 : \$249.00 per Night Tuesday, 27 June, 2017 : \$249.00 per Night Wednesday, 28 June, 2017 : \$249.00 per Night Total Room Price : \$1,245.00
<b>Taxes on Room:</b>	City Tax : \$74.70 for all nights Convention Center Tax : \$34.25 for all nights Facilities Fee : \$85.85 for all nights State Tax : \$70.95 for all nights
<b>Total:</b>	<b>\$1,510.75</b>
<b>Reservation Policies:</b>	Group Cancellation Policy (With Facilities Fee) Group Reservations have a 24-hour cancellation policy. The listed Facilities



Fee of \$14.99 plus tax per night will be waived exclusively for all group reservations (may vary per group).

Your credit card is on file as guarantee. In the event you change your plan, you must cancel or change your hotel reservation in accordance with the hotel's cancellation policy to avoid penalties.

Cancellations or changes made after 06/23/17, 3PM will be subject to a charge of \$249.00.\*

\* Plus any applicable taxes & fees

**Billing Details:**

Name On Card : Mark A Burchyett  
E-mail : mburchye@san.org  
Phone : 619-400-2435  
Credit Card : MasterCard ending in [REDACTED]  
Expiration Date: 12/2018  
Address: [REDACTED] San Marcos, California, United States 92078,

**Add to Calendar:**



To change or cancel your reservation, [click here](#).

Powered by RezTrip - (c)2016, [United Lodging LLC](#)



**BURCHYETT/Mark A**  
**ADDITIONAL FEES RECEIPT**

**\*\* PAID BAGS \*\***

Flight	From	To	Date
798 L	San Diego	Boston	24JUN17

Ticket  
 Date:  
 24JUN17

Record  
 Locator:  
 XGPTDV

Total Charged: \$25.00 USD

Ticket No. 0272144241855  
 FOP: VIXXXXXXXXXXX



**BURCHYETT/Mark A**

Departure time and gate may change. Check airport monitors.

**BOARDING PASS**

Gate	Flight	From	To	Boards	Departs	Seat
16	798L	San Diego	Boston	7:47 am	8:27 am 24Jun17	20B



Ticket No.: 0277958528454 Conf. Code: XGPTDV

SANTRAS100X03

1 Bag

ALASKA AIRLINES

BURCHYETT/Mark A

ADDITIONAL FEES RECEIPT

\*\* PAID BAGS \*\*

Flight	From	To	Date
769	L Boston	San Diego	30JUN17

Ticket Date:  
30JUN17

Record Locator:  
XGPTDV

Total Charged: \$25.00 USD

Ticket No 0272144762417  
FOP: VIXX<XXXXXXXXX>

ISA PRECHK  
BURCHYETT/Mark A

Departure time and gate may change. Check airport monitors.  
BOARDING PASS

ALASKA AIRLINES

Gate	Flight	From	Boards	Departs	Seat
C40	769	L Boston	5:30 pm	6:10 pm	19B

EXPEDITED  
TSA BOSTON

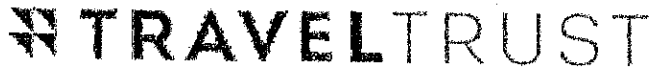
Ticket No. 0277958528454

Conf. Code: XGPTDV

BOSCAKA008

1 Bag





Traveltrust Corporation  
 374 North Coast Hwy 101, Suite F  
 Encinitas, CA 92024  
 Phone: (760) 635-1700

**ADD TO OUTLOOK**

Monday, 27MAR 2017 05:20 PM EDT

**Passengers: MARK A BURCHYETT (16)**

Agency Reference Number: QDOQHZ

Click here to view your current itinerary or ETicket receipt on-line: [trpcase.com](http://trpcase.com)

Alaska Airlines Confirmation XGPTDV

Please review your itinerary and report any discrepancies to Traveltrust within 24hrs of receipt  
 Be sure to visit [www.traveltrust.com](http://www.traveltrust.com) for additional travel information

TRAVELTRUST STRONGLY RECOMMENDS CHECKING IN  
 ONLINE WITH YOUR AIRLINE AT LEAST 24 HOURS PRIOR TO  
 EACH FLIGHT FOR THE MOST CURRENT TIMES AND ALERTS

**AIR Saturday, 24JUN 2017**

**Alaska Airlines**

**From:** San Diego CA, USA

**To:** Boston MA, USA

**Stops:** Nonstop

**Seats:** 20B

**Equipment:** Boeing 737-900 Jet

**DEPARTS** SAN TERMINAL 1 - **ARRIVES** BOS TERMINAL C

**Alaska Airlines Confirmation number is XGPTDV**

**Flight Number:** 0798

**Depart:** 08:27 AM

**Arrive:** 05:08 PM

**Duration:** 5 hour(s) 41 minute(s)

**Status:** CONFIRMED

**MEAL:** FOOD FOR PURCHASE - FOOD FOR PURCHASE

**Class:** L-Coach/Economy

**Miles:** 2579 / 4126 KM

**AIR Friday, 30JUN 2017**

**Alaska Airlines**

**From:** Boston MA, USA

**To:** San Diego CA, USA

**Stops:** Nonstop

**Seats:** 19B

**Equipment:** Boeing 737-800 Jet

**DEPARTS** BOS TERMINAL C - **ARRIVES** SAN TERMINAL 1

**Alaska Airlines Confirmation number is XGPTDV**

**Flight Number:** 0769

**Depart:** 06:10 PM

**Arrive:** 09:43 PM

**Duration:** 6 hour(s) 33 minute(s)

**Status:** CONFIRMED

**MEAL:** FOOD FOR PURCHASE - FOOD FOR PURCHASE

**Class:** L-Coach/Economy

**Miles:** 2579 / 4126 KM

A PORTION OF THIS TRIP MAY BE REFUNDABLE. PLEASE RETURN  
 UNUSED PORTIONS TO TRAVELTRUST FOR POSSIBLE REFUND.  
 ALASKA AIRLINES CONFIRMATION NUMBER - XGPTDV  
 FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043

**Ticket/Invoice Information**

Ticket for: MARK A BURCHYETT

Date issued: 3/27/2017 Invoice Nbr: 5418204

Ticket Nbr: AS7958528454 Electronic Tkt: Yes Amount: 510.40 USD

Base: 448.38 US Tax: 33.62 USD XT Tax: 28.40 USD


Charged to: AX\*\*\*\*\*1013

Service fee: MARK A BURCHYETT

Date issued: 3/27/2017

Document Nbr: XD0702592778

Amount: 30.00

Charged to: AX\*\*\*\*\*

Total Tickets: 510.40

Total Fees: 30.00

Total Amount: 540.40

**Click here 24 hours in advance to obtain boarding passes:**

[ALASKA](#)

**Click here to review Baggage policies and guidelines:**

[ALASKA](#)

TSA Guidance- a government issued photo id is needed for checkin.

Please allow minimum 3 hour check-in for International flights and 2 hours for Domestic.

For Additional security information visit [www.tsa.gov](http://www.tsa.gov).

Thank you for choosing Traveltrust!

Our Business Hours are 2am-5:30pm Pacific Monday - Friday,

Saturday from 9am-1pm Pacific.

For EMERGENCY AFTERHOURS assistance in the US, please call 888-221-6043 and use VIP Code SJE72.

You can also use the Direct Dial Number 682-233-1914 or the collect number 682-647-0061.

Each call is billable at a minimum \$25.00 per call/reservation

SSP America  
Peet's Coffee and Tea T1W  
San Diego Int'l. Airport

60152 Alondra

-----  
Chk 9073 Jun24'17 07:38A Gst 0  
-----

1 Mocha SM 4.15  
Espresso SM  
2% Milk SM  
XXXXXXXXXXXXXXXXXXXX  
Visa 4.47  
  
NA Bev 4.15  
Tax 0.32  
Payment 4.47

Win a \$500 Amazon Gift Card  
Go to the website to tell us  
about your visit and enter  
our prize draw  
See website for T&C  
www.eatonthemove.com/US

-----  
LOCATION: 6253310  
-----

Immediate Needs 1-877-325-8777

--COPY--

ELSIE CAB INC  
Cab # 0764  
HACK: 9178  
CUSTOMER COPY  
06/24/17 TR 1302  
START END MILES  
17:07 17:29 7.0  
Fare: \$ 23.80  
Extra: \$ 7.50  
Toll: \$ 0.00  
Srch: \$ 0.00  
Tip: \$ 6.25  
TOTAL: \$ 37.55  
  
Type: VISA  
Card:   
AUTH: 00456C

TAXI HOTLINE  
617-536-TAXI  
EMAIL: TAXI.BPD@  
CITYOFBOSTON.GOV

# aubonpain the bakery café

STORE # 0009  
26 Park Plaza  
Boston, MA 02116  
( 617 ) 338-8948

-----  
QUESTIONS - CONCERNS?  
Call us at 1 800 TALK ABP  
Visit us at our website:  
<http://WWW.AUBONPAIN.COM>  
-----

TICKET # 333891  
6/24/2017 7:05:51 PM  
IN

1 Lobster Sandwich 13.99  
~~1 Turkey Club 7.19~~  
  
SubTotal 21.18  
State 1.32  
Local 0.16  
Total 22.66  
  
Visa 22.66  
-----

Save Time and Order Online!  
Try ABP Pickup and skip the line.  
Order at [aubonpain.com/order](http://aubonpain.com/order)

1 Meal 13.99  
Tax .98  
-----  
14.97

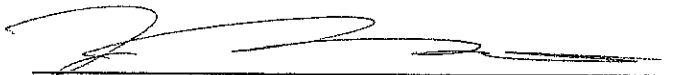
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

MISSING RECEIPT FORM

Employee/Department Head must complete form below.

Date of Purchase/Event: 6/24/17  
Description of Item/Event: Meal on Plane to Boston  
Vendor/Event Name: Alaska Airlines  
Dollar Amount: \$10 -  
Reason for Missing Receipt: No receipt provided on Plane  
   
   
 

I hereby certify that the original receipt in question was lost or none was issued to me.

  
Employee Signature

7/3/17  
Date

  
Department Head Signature

7/6/17  
Date

STARBUCKS Store #7564  
 62 Boylston St at  
 Boston, MA (617) 338-0067

**aubonpain**  
 the bakery café

CH# 658001  
 06/25/2017 04:46 PM  
 2346436 Drawer: 1 Reg: 2

STORE # 0009  
 26 Park Plaza  
 Boston, MA 02116  
 ( 617 ) 338-8948

T1 Carml Frapp	3.95
<del>T1 Mocha</del>	<del>3.75</del>
Sbux Card	8.24
XXXXXXXXXXXX	
Subtotal	\$7.70
Tax 6.25%	\$0.48
Local Tax 0.75% - meals	\$0.06
Total	\$8.24
Change Due	\$0.00

QUESTIONS - CONCERNS?  
 Call us at 1 800 TALK ABP  
 Visit us at our website:  
<http://WWW.AUBONPAIN.COM>

TICKET # 227873  
 6/25/2017 10:14:04 AM  
 IN

----- Check Closed -----  
 06/25/2017 04:46 PM

1 Farmhouse Omelet	4.59
1 Sprouted Grain	
<del>1 Farmhouse Omelet</del>	<del>4.59</del>
1 B_Semolina Loaf	
1 Coffee (SM)	1.85
\$0.99 Coffee with Any Bre	- 0.86

SBUX Card x4305 New Balance: 5.65  
 Card is registered.

1 Drink X 3.95  
 Tax 0.26  
4.21

SubTotal	10.17
State	0.64
Local	0.08
Total	10.89
Visa	10.89

Join our loyalty program  
 Starbucks Rewards®  
 Sign up for promotional emails  
 Visit Starbucks.com/rewards  
 Or download our app  
 At participating stores  
 Some restrictions apply

Save Time and Order Online!  
 Try ABP Pickup and skip the line.  
 Order at [aubonpain.com/order](http://aubonpain.com/order)

1 Mocha 4.59  
 1 Coffee 1.85  
 Tax .48  
6.92



STARBUCKS Store #7564  
62 Boylston Street  
Boston, MA (617) 338-0067

STARBUCKS Store #830  
443 Boylston Street  
Boston, MA (617) 536-7177

-----  
CHK 709547  
06/26/2017 11:00 AM  
2173214 Drawer: 1 Reg: 1  
-----

-----  
CHK 675483  
06/27/2017 09:23 AM  
2225518 Drawer: 1 Reg: 3  
-----

T1 Mocha	3.75
Sbux Card	4.01
XXXXXXXXXXXX	
Subtotal	\$3.75
Tax 6.25%	\$0.23
Local Tax 0.75% - Meals	\$0.03
Total	\$4.01
<b>Change Due</b>	<b>\$0.00</b>

T1 Mocha	3.75
Sbux Card	4.01
XXXXXXXXXXXX	
Subtotal	\$3.75
Tax 6.25%	\$0.23
Local Tax 0.75% - Meals	\$0.03
Total	\$4.01
<b>Change Due</b>	<b>\$0.00</b>

----- Check Closed -----  
06/26/2017 11:00 AM

----- Check Closed -----  
06/27/2017 09:23 AM

SBUX Card x New Balance: 26.64  
Card is registered.

SBUX Card x New Balance: 22.63  
Card is registered.

Join our loyalty program  
Starbucks Rewards®  
Sign up for promotional emails  
Visit Starbucks.com/rewards  
Or download our app  
At participating stores  
Some restrictions apply

Join our loyalty program  
Starbucks Rewards®  
Sign up for promotional emails  
Visit Starbucks.com/rewards  
Or download our app  
At participating stores  
Some restrictions apply

1397

Server: JENNIFER A H (#329) Rec:318  
06/26/17 20:04, Swiped T: 299 Term: 12

UNION OYSTER HOUSE  
41 UNION STREET  
BOSTON, MA  
(617)227-2750  
MERCHANT #:

**UNION OYSTER HOUSE**  
America's Oldest Restaurant  
**BOSTON**  
(617) 227-2750

1397a Table 299 #Party 12  
Svr: 329 SvrCk: 17 6:14p 06/26/17

CARD TYPE ACCOUNT NUMBER  
VISA XXXXXXXXXXXX  
Name: MARK BURCHYETT  
OO TRANSACTION APPROVED  
AUTHORIZATION #: 03691C  
Reference: 0626050001397  
TRANS TYPE: Credit Card SALE

5 CUP CLAM CHOWDER L	34.75
1 BOWL CLAM CHOWDER	9.50
3 LAZY MAN'S LOBSTER	113.85
2 SHRIMP & SCALLOP@SPEC	59.90
3 SAUTEED SEAFOOD MEDLEY	89.85
1 SAUTEED LIL NECKS	27.95
1 SEAFOOD NEWBURG	32.95
1 CHILD MAC & CHEESE	5.95
2 ICED TEA	5.00
3 COLONIAL ALE	19.62
1 DIET COKE	2.50
2 GINGER ALE	5.00
1 COLA	2.50

CHECK : 96.09  
TIP : \_\_\_\_\_  
TOTAL : 116.09

Sub Total: 409.32  
ST/LCL TAX : 28.65

06/26 7:43p TOTAL: 437.97

X \_\_\_\_\_

Suggested Gratuity

GRAT 15	61.40
GRAT 18	73.68
GRAT 20	81.86

PHONE: ( ) -  
\*\*\*Duplicate Copy\*\*\*

CARDHOLDER WILL PAY CARD ISSUER ABOVE  
AMOUNT PURSUANT TO CARDHOLDER AGREEMENT  
sign & total 1 copy>2nd is your receipt

THANK YOU  
PLEASE COME AGAIN!

Handwritten notes and calculations:

- 1 Clam Chowder 6.95
- 1 Lazy Man's Lobster 37.95
- 1 Ice Tea 2.50
- Tax ~~3.32~~ 3.32
- Tip 50.72
- Total 10.14
- Total 60.86

Arrows point from the handwritten calculations to the printed menu items: Clam Chowder, Lazy Man's Lobster, and Ice Tea.

STARBUCKS Store #807  
12 Charles St South  
Boston, MA (617) 426-1763

CHK 710864  
06/28/2017 10:51 AM  
2349799 Drawer: 2 Reg: 1

Tl Mocha	3.75
Sbux Card	4.01
XXXXXXXXXXXX	
Subtotal	\$3.75
Tax 6.25%	\$0.23
Local Tax 0.75% -- Meals	\$0.03
Total	\$4.01
<b>Change Due</b>	<b>\$0.00</b>

----- Check Closed -----  
06/28/2017 10:51 AM

SBUX Card x [redacted] New Balance: 18.62  
Card is registered.

Join our loyalty program  
Starbucks Rewards®  
Sign up for promotional emails  
Visit Starbucks.com/rewards  
Or download our app  
At participating stores  
Some restrictions apply



## Stored Value CharlieTicket

Expires 06/29, 2018

Avoid the full fare. Use  
a CharlieCard. Ask for  
info or visit mbta.com

Initial Value \$5.50  
Ticket ID 7105867  
Credit  
06/28/2017 11:11 PM

Subject to applicable tariff regulations and conditions  
of use. Ticket may be confiscated for misuse.  
Not replaceable if lost or stolen. Non-refundable.

© Massachusetts Bay Transportation Authority

Device 201213  
Park St  
Schedule & Fare Information: 617-222-3200 Website: www.mbta.com © MBTA

MOTHER ANNA'S  
RESTAURANT

0054 Table 14 #Party 2  
RALUCA M SvrCk: 4 6:45p 06/28/17

1 CHICKEN CREATION FOR 2 34.00  
2 ICED TEA 4.00

Sub Total: 38.00

Tax: 2.66

Sub Total: 40.66

06/28 7:19p TOTAL: 40.66

THANK YOU  
PLEASE COME AGAIN!

0054

Server: RALUCA M Rec: 22  
06/28/17 19:20, Swiped T: 14 Term: 2

MOTHER ANNA'S RESTAURANT  
211 HANOVER STREET  
BOSTON, MA 02113  
(617)523-8496  
MERCHANT #:

CARD TYPE ACCOUNT NUMBER  
VISA XXXXXXXXXXXX

Name: MARK BURCHYETT

00 TRANSACTION APPROVED

AUTHORIZATION #: 01348C

Reference: 0628010000054

TRANS TYPE: Credit Card SALE

CHECK: 40.66

TIP: 10.00

TOTAL: 50.66

1 Meal  
Tea

17.00

2.00

19.00

Tax

1.33

20.33

TIPS

4.00

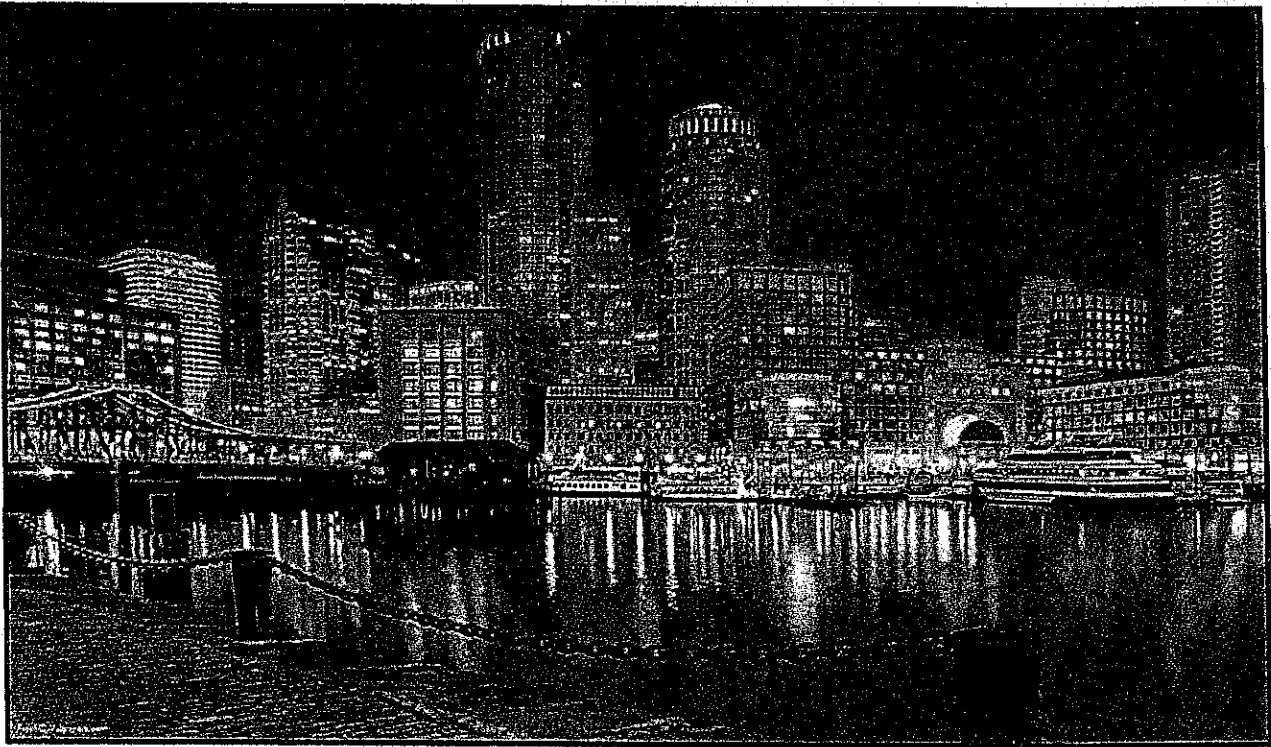
24.33

X \_\_\_\_\_

\*\*\*Duplicate Copy\*\*\*

CARDHOLDER WILL PAY CARD ISSUER ABOVE  
AMOUNT PURSUANT TO CARDHOLDER AGREEMENT  
sign & total 1 copy>2nd is your receipt





*ASSOCIATION OF  
AIRPORT INTERNAL  
AUDITORS*

*28<sup>th</sup> ANNUAL CONFERENCE*

---

*Boston Park Plaza*

*June 25 - 28, 2017*

*Boston, Massachusetts*



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ASSOCIATION OF  
AIRPORT INTERNAL AUDITORS



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Pre-Conference Board of Directors Meeting

June 25, 2017

4:00 PM

---

Board members, and anyone interested, will meet to conduct the pre-conference board meeting. The session will be held in the Hancock Room on the mezzanine level of the Boston Park Plaza Hotel.

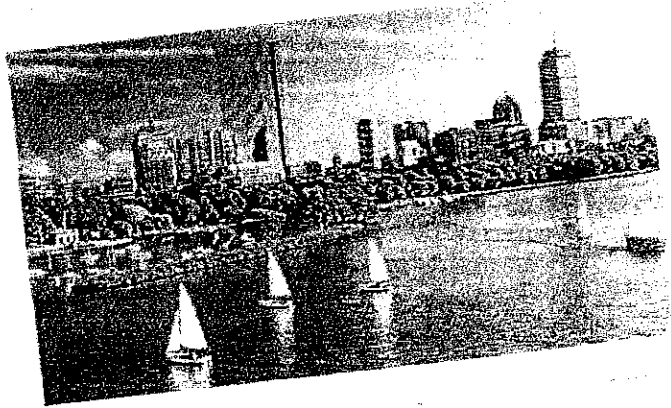
THOMAS J. WILSON  
NATIONAL ASSOCIATION OF AIRPORT INTERNAL AUDITORS



## WHY ATTEND?

### Learn from the Experts

Sessions are led by industry experts and peers with expertise in the presentation subjects – people that you don't just run into every day. Their goal is to share their experiences and focus on the topics that are pertinent to you. Gain insights and inspiration to help you do your job better.



*City of Boston as seen from City of Cambridge on the banks of the Charles River*

### Customized Education

There are concurrent sessions categorized by track, allowing you to choose the ones that are most important for you.

### Bring New Energy to Your Work

Gain exposure to new ways of thinking by exchanging ideas and building relationships with people who have faced similar challenges on the job. Find out how issues were resolved and become inspired to try new approaches during our Group Share sessions.

### Accreditation and Training

Accreditation and training is a way to separate you from the crowd. This conference qualifies for up to 19 hours of continuing professional education (CPE), with an optional 3 additional hours available during the extended session. Break times and meals are excellent opportunities to network with your fellow auditors in a casual atmosphere.

### More Than Just a Conference

This conference is not just for feeding your brain. Special events give you the chance to network, relax, and enjoy your surroundings in a great location.

## TEN FUN FACTS ABOUT BOSTON

---

1. Boston was founded in 1630, making it one of the oldest cities in the United States. It was also a key location during the American Revolution.
2. Boston has more neighborhoods than almost any other city in the United States, making it one of the most subdivided in America. This has earned Boston one of its nicknames, the "City of Neighborhoods."
3. Boston's nickname, "The Athens of America," isn't based on any geographical similarities, but because the city features more than one hundred institutes of higher learning within its borders.
4. Boston is one of the youngest cities in America. Almost 75% of the city's population is under 45.
5. Boston was home to the first library on the North American continent, built in 1657.
6. Boston's Kenmore Square features a massive Citgo sign as one of its center-points. The neon tubing in the sign stretches over 5 miles in length.
7. Boston's eponymous dessert, the Boston cream pie, was created at the Parker House Hotel in 1856 by head chef M. Sanzian. The Boston cream pie is, in reality, a cake, not a pie.
8. Boston features the first-ever subway in America. The Tremont Street Subway was built in 1897.
9. Boston is the home of America's first university. Founded as New College in 1636, the institution's name was changed to Harvard College in 1639, and didn't become a full university until 1841.
10. Boston's population represents only 10% of the Commonwealth of Massachusetts, but more than a third of the state's college students go to school in the city.

## REGISTRATION INFORMATION

---

### CPE

The AAIA has put together an educational and stimulating agenda which qualifies for 19 hours of continuing professional education (CPE). An additional 3 hours of CPE are available in the extended session.

### REGISTRATION FEES

Early registration for the conference is \$600 for AAIA members and \$725 for non-members. Standard registration for the conference is \$700 for AAIA members and \$825 for non-members. In order to qualify for the early registration fee, all conference registration forms must be completed by Monday, May 15, 2017. Registration forms entered after May 1, 2017, will be processed at the specified regular fee.

Registration fees must accompany all conference registration forms. Please note you are considered fully registered to the conference only when payment (check or credit card) has been received and you have completed registration forms online.

The AAIA will utilize an online registration service this year, the link is available at [www.aaia.org/registration](http://www.aaia.org/registration). You will be able to complete your registration on line, and make credit card payment at the same time. If you wish to pay by check, please complete the registration forms on line, and mail your check to Laura Tatem at the address below.

Checks should be made payable to the Association of Airport Internal Auditors, in US dollars, and it should be clearly noted whose registration(s) the check is paying for.

### Association of Airport Internal Auditors

Contact: Laura Tatem, CPA, CMA, CFPA, AAIA Treasurer

8007 Main Office Plaza

Atlanta, GA 30336

[treasurer@airport-auditors.com](mailto:treasurer@airport-auditors.com)



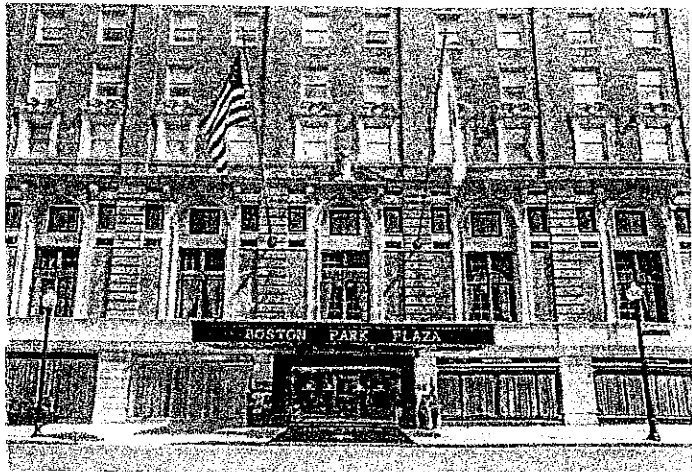
## CONFERENCE HOTEL

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### BOSTON PARK PLAZA

The historic charm and contemporary elegance of the iconic Boston Park Plaza awaits. Following a landmark renovation, the Boston Park Plaza offers guests the charm of a historic hotel with the effortless comforts of a new one. The hotel offers incomparable proximity to everything that makes Boston a treasured destination. The hotel offers an ideal location in downtown Boston, just steps away from the Public Garden, Theater District and many of the city's most popular historical sites.

A block of rooms for single or double occupancy has been reserved at the Boston Park Plaza Hotel at the conference rate of \$249 + tax ( 14.45%) per night.



### Boston Park Plaza Hotel

100 Park Plaza  
Boston, MA 02116  
617.426.2000

To make your room reservation with a credit card by telephone, call 1.617.426.2000 and ask for the **Association of Airport Internal Auditors: Annual Conference** rate. You may also book your room online using the reservation [link](#) :

**Important:** The cutoff date for guaranteed hotel rates is **Friday, June 2, 2017 at 5:00 pm**. At that time, the remaining rooms in our block will be released and there will be no guarantee of being able to reserve a room at the conference rates. **Check-in time is 3:00 p.m. and check-out time is 12:00 p.m.**

## TRANSPORTATION AND PARKING

---

### ARRIVING FROM BOSTON INTERNATIONAL AIRPORT

- Airport Cab Service
- Boston's Subway (the "T") – The Boston Park Plaza Hotel is located at the Arlington stop (Green line) and the Back Bay stop (Orange line).
- ~~Hotel Shuttle~~ is available for an additional fee.
- App Ride/TNC: App Ride/Transportation Network Companies (TNCs) Uber and Lyft now offer pick up and drop off transportation service at Boston Logan.
- See Massport website for further information.

**TAXI SERVICE:** 24-hour taxi service is available at the Boston Park Plaza's Main Entrance.

**MBTA (SUBWAY):** The Boston Park Plaza Hotel is located one block from the Arlington "T" stop (Green line) and Back Bay stop (Orange line). See MBTA [website](#) for more information.

**PARKING:** Our hotel offers on-site Valet Parking for an overnight fee of \$51. Parking is not included in the hotel room rate. Self-parking at the Motor Mart Garage is also available across the street from the Boston Park Plaza Valet Entrance. Valet Parking Entrance Address: 34 Columbus Ave, Boston 02116

**MASSPORT:** Visit Massport website for [more information](#).

**MASSPORT SHUTTLE SERVICE:** Massport provides free shuttle bus service between airline terminals and Airport Station on the MBTA Blue line and to the Rental Car Center (during midday hours).

The Concierge will be happy to share their extensive knowledge of Greater Boston, New England and beyond. If you would like to request tickets or transportation services in advance of your stay (48-hours' notice is requested), or if you would like additional information, please feel free to contact our Concierge team at 617.654.1912 or by email.

## CONFERENCE EVENTS AND ACTIVITIES

---

### PRE-CONFERENCE ACTIVITIES – SATURDAY/SUNDAY / JUNE 21-22

For those arriving pre-conference, experience the best of Boston with CityPASS, an easy-to-use ticket booklet that gives you admission to a hand-picked collection of Boston's most iconic attractions, all at a great savings.

The pass provides entrance/access to the following:

- [Faneuil Hall Marketplace](#)
- [Museum of Science](#)
- [USS Intrepid](#)
- [Museum of Natural History](#) **OR** [Boston Sports Center](#)

The CityPASS can be purchased directly from their site or upon arrival.

### GOLFING OPPORTUNITIES

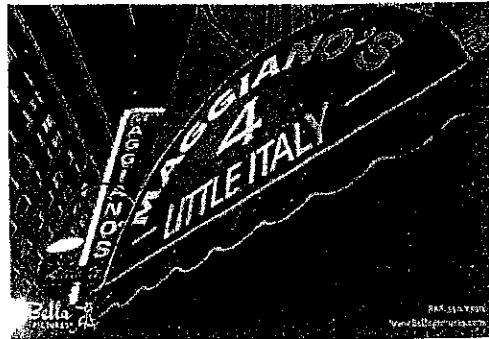
For our Golf enthusiasts, there are several public golf courses in the area. See the link for a list of [Boston Area Golf Courses](#).

### THINGS TO DO IN BOSTON

There are many exciting activities in and around Boston; however, there are no activities planned until Sunday evening. For visitor's information and things to do in Boston, please visit [Boston.com](#).

## WELCOME RECEPTION | JUNE 25 | 6:30 – 9:30 | MAGGIANO'S LITTLE ITALY

We will host a wine/beer/cocktail reception and elegant hors d'oeuvres across the street from the hotel at Maggiano's Little Italy, located at 4 Columbus Avenue.

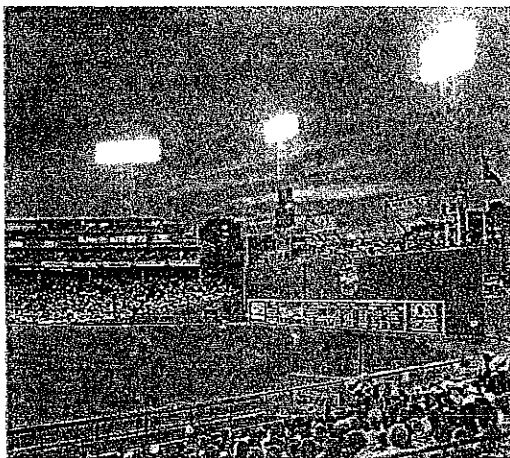


## GUEST ACTIVITIES

No formal guest activities are planned for Monday or Tuesday. For visitor's information and things to do in Boston, please visit <http://www.boston.com>.

## MONDAY NIGHT | JUNE 26 | OPTIONAL ACTIVITIES

Boston Red Sox vs. Minnesota Twins | Fenway Park | 7:10



Get a real Boston experience as you join legions of Boston Red Sox fans for a night at iconic Fenway Park to watch the Boston Red Sox take on the Minnesota Twins!

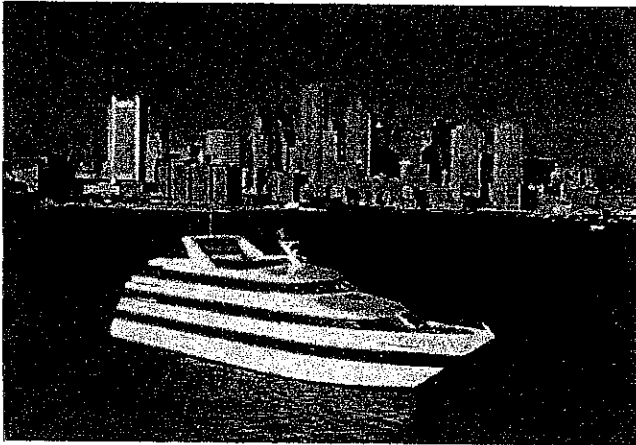
Dinner will not be hosted. There will be sign-up sheets, at the registration table, for those interested in joining a group for dinner at local restaurants.

Follow this [link](#) to purchase tickets.

## TUESDAY NIGHT | JUNE 27

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Spirit of Boston | 6:00 - 9:00



We will provide transportation to the Odyssey for our Spirit of Boston cruise of Boston Harbor.

This event will feature hosted wine, beer, cocktails, elegant dinner buffet, live music and dancing!

## ATTIRE

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### CONFERENCE ATTIRE

Business casual attire is appropriate for conference attendees. Temperatures in hotel meeting rooms tend to be cool, but can vary significantly. Layering with a light jacket or sweater is recommended while attending the conference sessions.

### CONFERENCE ATTIRE

For men, appropriate attire includes slacks and a jacket. For women, nice slacks, a skirt or a dress is recommended. Collarless t-shirts, jeans, shorts or sneakers are not acceptable.



# WEATHER

Historical average Boston weather in June:

SUN 6/25	MON 6/26	TUE 6/27	WED 6/28	THU 6/29	FRI 6/30	SAT 7/1
Hist. Avg. 77/62	Hist. Avg. 78/63	Hist. Avg. 79/63	Hist. Avg. 80/63	Hist. Avg. 81/63	Hist. Avg. 81/64	Hist. Avg. 81/64

June sees the beginning of hot weather in Boston, yet the city's sea breezes help spare most afternoons from excessive heat. The summer weather also brings an increase in thunderstorm activity.

In most years, Boston averages a daily maximum temperature for June that's between 73 and 79 degrees Fahrenheit (23 to 26 degrees Celsius). The minimum temperature usually falls between 58 and 61 °F (14 to 16 °C). The days at Boston continue to warm quickly during June. By the end of the month, the temperature has climbed over 9 °F (5 °C) above what it was at the start.

June is the most variable month of the year for the amount of rainfall Boston receives. Half the time, it rains 1 to 5 inches (25 to 127 mm) in June. One in four years has drier weather, while another one in four is wetter. None of the precipitation falls as snow.

# ASSOCIATION OF AIRPORT INTERNAL AUDITORS

28<sup>TH</sup> ANNUAL CONFERENCE  
BOSTON, MA ~ JUNE 25-28, 2017

## CONFERENCE AGENDA

### Sunday, June 25, 2017

6:30 pm to 9:30 pm	Welcome Reception, Maggiano's Little Italy Boston ( <i>across the street from hotel</i> )
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### Monday, June 26, 2017

07:00 am to 08:00 am	Registration and Continental Breakfast – <u>Conference Registrants Only</u>
08:00 am to 08:30 am	<p>Opening Remarks and Attendee Introductions</p> <ul style="list-style-type: none"> <li>Wayne E. Robinson, AAIA President, Internal Auditor, Manchester-Boston Regional Airport</li> <li>Joris Jabouin, Director of Internal Audit, MassPort</li> <li>Attendee Introductions</li> <li>Housekeeping Items</li> </ul>
08:30 am to 08:45 am	<p>Welcome to Boston</p> <p>Thomas Glynn, Chief Executive Officer (CEO), Massport</p>
08:45 am to 10:00 am	<p><b>Curing Adulthood: Your Prescription for Less Stress and More Success</b></p> <p>Adulthood is an epidemic that can infiltrate even the best working environments, producing stress and instigating burnout. Left unchecked, Adulthood will eat your productivity, teamwork, and morale alive. In this light-hearted but hard-hitting program, Jason will arm you with the fresh perspective needed to reclaim your passion and create a better harmony between work and home.</p> <ul style="list-style-type: none"> <li>Jason Kotecki, JBIRD INK, Ltd.</li> </ul> <p>Jason is an artist, author, and speaker who considers himself a professional reminder-er and permission granter. Besides making art that inspires and delights people all over the world, Jason is in high demand as a professional speaker. He shares real-world strategies and practical ideas for restoring balance, preventing burnout, and achieving new levels of productivity. His programs are balanced with a refreshing mix of humor and emotion, serving as the perfect antidote for people who find themselves in a personal or professional rut.</p>
10:00 am to 10:15 am	Networking Break
10:15 am to 11:55 am	<p><b>#Notarule: The Art of Winning at Business and Life by Breaking Rules That Don't Exist</b></p> <p>Jason uncovers and annihilates the so-called rules that don't exist. He'll reveal some surprising principles that provide a powerful competitive advantage, foster breakthrough levels of innovation, and accomplish what was once thought impossible. This will arm you with tools for getting better at identifying rules that don't exist, and tactics for breaking them with confidence.</p> <ul style="list-style-type: none"> <li>Jason Kotecki, JBIRD INK, Ltd.</li> </ul>
<p>Personal Development/ Leadership – Time Management CPEs = 1.5</p>	
<p>Personal Development/ Leadership – Time Management CPEs = 2</p>	

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12:00 pm to 02:00 pm	<b>Lunch and Annual Business Meeting</b>
02:00 pm to 03:15 pm  <b>Specialized Knowledge</b> <b>CPEs = 1.5</b>	<b>Group Sharing</b> Do you have an audit issue of which you would like advice, clarification of how others perform a procedure, confirmation of your audit approach, or an experience that you would like to share with the group? This is your opportunity to ask, share, and learn from each other. <i>Facilitated by:</i> <ul style="list-style-type: none"> <li>• <b>Laura Tatem</b>, Director of Internal Audit, Tampa Airport</li> <li>• <b>Debbie Mommaerts</b>, Audit Manager, Columbus Regional Airport Authority</li> <li>• <b>Patrick J. Dalton</b>, Director of Internal Audit &amp; Corporate Compliance, Niagara Frontier Transportation Authority</li> </ul>
03:15 pm to 03:30 pm	<b>Networking Break</b>
03:30 pm to 04:45 pm  <b>Auditing</b> <b>CPEs = 1.5</b>	<b>TNC Revenue – A Continuous Monitoring Approach</b> MSP utilizes a continuous monitoring approach for auditing several of our revenue streams. I am taking a similar approach to auditing TNC activity. MSP may also be unique because we chose not to utilize the AAAB Clearinghouse. We are in the process of developing a data flow from Uber and Lyft into our proprietary commercial vehicle tracking system (MAVIS – MAC Automatic Vehicle Identification System). This presentation would focus on the use of Data Analysis and Business Intelligence Tools to continuously audit TNC activity. <ul style="list-style-type: none"> <li>• <b>Michael Gee</b>, Minneapolis</li> </ul>

## Tuesday, June 27, 2017

07:00 am to 08:00 am	<b>Continental Breakfast ~ Conference Registrants Only</b>
08:00 am to 08:15 am	<b>Massport Air Operations</b> <ul style="list-style-type: none"> <li>• <b>Edward Freni</b>, Director of Aviation, MassPort</li> </ul>
08:15 am to 09:30 am  <b>Auditing</b> <b>CPEs = 1.5</b>	<b>Auditing Airport Property Rooms and Evidence Rooms</b> We will go over audits of Airport Property Rooms (Lost and Found) and Airport Police Evidence Rooms. We will discuss the steps performed, any issues found and how they were discovered, along with best practices. <ul style="list-style-type: none"> <li>• <b>Lucy Vanderhoff</b>, Columbus Regional Airport Authority</li> <li>• <b>Laura Tatem</b>, Director of Internal Audit, Tampa Airport</li> </ul>
09:30 am to 09:45 am	<b>Networking Break</b>
09:45 am to 10:45 am	<b>Procurement Card Audit – Findings and Future Improvements</b>

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<p><b>Auditing</b> CPEs = 1.2</p>	<ul style="list-style-type: none"> <li>• <b>Sheila Rojas</b>, Sr. Auditor, Orlando</li> <li>• <b>Felicia Carlee</b>, Sr. Internal Audit Manager, Tampa</li> </ul>
<p>10:45 am to 12:00 pm</p> <p><b>Specialized Knowledge</b></p> <p>CPEs = 1.5</p>	<p><b>Group Sharing</b></p> <p>Do you have an audit issue of which you would like advice, clarification of how others perform a procedure, confirmation of your audit approach, or an experience that you would like to share with the group? This is your opportunity to ask, share, and learn from each other.</p> <p><i>Facilitated by:</i></p> <ul style="list-style-type: none"> <li>• <b>Laura Tatem</b>, Director of Internal Audit, Tampa Airport</li> <li>• <b>Debbie Mommaerts</b>, Audit Manager, Columbus Regional Airport Authority</li> <li>• <b>Patrick J. Dalton</b>, Director of Internal Audit &amp; Corporate Compliance, Niagara Frontier Transportation Authority</li> </ul>
<p>12:00 pm to 01:00 pm</p>	<p><b>Lunch</b></p>
<p>01:00 pm to 02:30 pm</p> <p><b>Auditing</b></p> <p>CPEs = 1.8</p>	<p><b>TRACK A ~ How Construction Cost Auditing and Project Controls Work Together</b></p> <p>This presentation explores the how construction audit fits within and enhances a project controls program. It discusses what controls are possible and probable by various entities of the project team. The intent is for auditors and project controls professionals to gain an understanding and appreciation of each other's role within the project. It also helps the owner and construction executives understand how audit and controls can work together to help a project reach its budget and schedule goals.</p> <ul style="list-style-type: none"> <li>• <b>Jake Ortego, PE, CCP, CCA</b>, National Association of Construction Auditors</li> </ul> <p><b>TRACK B ~ Auditing the Various Types of In-Airport Concessions</b></p> <p>For airports, concession revenue is critical as it creates a funding base that is utilized for operations, improvements, debt service, revenue sharing, and other obligations the airport may incur. Many of these agreements are dependent on proper reporting by the concessionaires. The focus of this presentation will be on completeness of revenue reported by concessionaires, proper computation of concession to be paid to the airport, as well as overall financial and nonfinancial compliance with these agreements. Various aspects of source document review and analysis will be discussed as well as report presentation. This course is appropriate for all levels.</p> <ul style="list-style-type: none"> <li>• <b>Rick Shields, CPA, CFE</b>   Blue and Co., LLC</li> </ul>
<p>02:30 pm to 02:45 pm</p>	<p><b>Networking Break</b></p>

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<p>02:45 pm to 3:45 pm</p> <p><b>Auditing</b> CPEs = 1.2</p>	<p>CHOOSE FROM THE FOLLOWING TRACKS:</p> <p><b>TRACK A ~ Four Ways Your Contractor could be Overbilling You: A Comprehensive Look at Construction Insurance</b></p> <p>Insurance is confusing, plain and simple. Construction insurance is no exception. In some cases, contractors have been able to use complex insurance programs and policies to hide additional profit. This session will provide attendees with a better understanding of construction insurance and take a closer look at four potential areas where a contractor could be overbilling:</p> <ol style="list-style-type: none"><li>1. Coverage not reimbursable per the construction contract</li><li>2. Coverage limits not consistent with contract requirements</li><li>3. Insurance and bond rates not representing a Contractor's actual cost</li><li>4. Insurance and bond rates applied incorrectly to cost basis</li></ol> <p><b>Technical Level</b> Beginner to Intermediate</p> <p><i>Session attendees do not need to have a construction contract or insurance background.</i></p> <ul style="list-style-type: none"><li>• <b>Mark McCarthy</b>, Senior Manager, CBIZ Risk &amp; Advisory Services</li></ul> <p>Mark McCarthy, CCA, CFE, is a Senior Manager in the national construction cost review and consulting group for CBIZ. He has more than 10 years of experience in redrafting construction contracts, reviewing project budgets and analyzing bonding and insurance programs, including self-insured programs.</p> <p><b>TRACK B ~ Auditing Rental Car Activity</b></p> <p>Other than parking, rental car revenues are typically the most significant source of terminal revenues at an airport. The lease or concession agreements with rental companies include numerous elements which require careful oversight by the airport in order to ensure compliance as well as proper concession reporting and collection. This presentation will include a drill-down of information obtained from rental car companies and comparative analysis of different levels and sources of information. Nonfinancial compliance will also be discussed as well as reporting by the auditor. Examples will be provided throughout the discussion. This course is appropriate for all levels.</p> <ul style="list-style-type: none"><li>• <b>Rick Shields</b>, CPA, CFE   Blue and Co., LLC</li></ul>
<p>03:45 pm to 03:55 pm</p>	<p><b>Networking Break</b></p>
<p>03:55 pm to 4:45 pm</p> <p><b>Auditing</b> CPEs = 1</p>	<p><b>Parking Audits</b></p> <p>Parking is typically one of the largest revenue sources at airports. We will discuss auditing parking revenue and pointers on what to look for.</p> <ul style="list-style-type: none"><li>• <b>Claire Aboko-Venn</b>, Director, Process Optimization and Improvement, Detroit</li></ul>
<p>5:30 pm to 9:30 pm</p>	<p><b>Networking Event – Spirit of Boston</b></p>

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## Wednesday, June 28, 2017

07:00 am to 08:00 am	<b>Continental Breakfast ~ Conference Registrants Only</b>
<b>08:00 am to 09:40 am</b>  <b>Auditing</b> <b>CPEs = 2</b>	<b>Detection Methods to Uncover Fraud</b>  Using actual case studies, various fraud schemes the Plante Moran team has encountered will be described, sharing how the fraud occurred, how it was discovered, and lessons learned. Audience members will learn tools and tests they can perform to help detect fraudulent activity in their organization.  <ul style="list-style-type: none"> <li>• Michelle D. McHale-Adams, CPA, CFF, CFE  Partner, Plante Moran</li> <li>• Eric Conforti, CPA, CFE  Senior Manager, Plante Moran</li> </ul>
09:40 am to 09:55 am	<b>Networking Break</b>
<b>09: 55 am to 10:55 am</b>  <b>Information Technology</b> <b>CPEs = 1.2</b>	<b>Cloud Computing Audit at DEN</b>  The rise of cloud technologies adoption has been phenomenal in the past few years. The use of such emergent technologies bring a number of significant risks that have important implications on the effectiveness of internal controls. Internal Audit functions can play a key role in helping organizations assess and manage cloud services risks. Each cloud computing audit can be unique; this presentation will review emerging technology of cloud computing in a nontechnical manner and will discuss DEN Internal Audit team's challenges and opportunities during the cloud computing audit at DEN.  <ul style="list-style-type: none"> <li>• Usha Yariagadda, Director, Internal Audit, Denver International Airport</li> <li>• Zaid Mkhalfia, Internal Audit, Denver International Airport</li> </ul>
<b>10:55 am to 11:55 am</b>  <b>Auditing</b> <b>CPEs = 1.2</b>	<b>17 Hot Topics for 2017 and Beyond</b>  <ul style="list-style-type: none"> <li>• What should be the focus of Internal Audit</li> <li>• Assessing Emerging Risks</li> <li>• Key Attributes of Successful Auditors</li> <li>• The Importance of Critical Thinking</li> <li>• Implementing Continuous Auditing Techniques Effectively</li> </ul> <ul style="list-style-type: none"> <li>• Danny M. Goldberg, CPA, CIA, CISA</li> <li>• GoldSRD</li> </ul>

**REGULAR SESSION ENDS**

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## EXTENDED SESSION

12:00 pm to 01:00 pm	Lunch – For <i>EXTENDED Session Participants ONLY</i>
01:00 pm to 02:15 pm  Personal Development CPEs = 1.5	<p><b>Molding Tomorrow's Internal Auditors</b></p> <p>Participants will learn best practices on how to train younger employees, including adult learning techniques and the hot buttons for Generation Y. Additionally, attendees will also learn about using teamwork and project management exercises to teach new employees.</p> <p><b>Who Should Attend:</b> All employees who mentor younger auditors (NASBA Field of Study: Personal Development).</p> <p><b>Objectives</b></p> <ul style="list-style-type: none"> <li>• Understand the differences and generation gaps between different levels/age groups</li> <li>• Learn the motivations of Generation Y and how to tap into their potential</li> <li>• Learn how to distinguish the field of internal auditing and get auditors excited about their careers</li> </ul> <p><b>Agenda</b></p> <ol style="list-style-type: none"> <li>I. Learn and understand the differences of Generation Y and their motivations</li> <li>II. Getting staff excited about auditing</li> <li>III. Generation Y – Training Characteristics</li> <li>IV. Rewarding Generation Y                         <ul style="list-style-type: none"> <li>• Danny M. Goldberg, CPA, CIA, CISA</li> <li>• GoldSRD</li> </ul> </li> </ol>
02:30 pm to 02:45 pm	Break/Networking
02:45 pm to 04:00 pm  Personal Development CPEs = 1.5	<p><b>Molding Tomorrow's Internal Auditors (Continued)</b></p> <ul style="list-style-type: none"> <li>• Danny M. Goldberg, CPA, CIA, CISA</li> <li>• GoldSRD</li> </ul>

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**Learning Objectives:** Participants will gain an understanding of various airport business practices and learn techniques to monitor or audit various airport tenant activities. The conference sessions will provide ideas of where to focus limited time and resources, tips to improve practices, and will discuss actual approaches to audit airport operations, tenants, and contractors.

**Program Content:** Speakers from the profession, consulting firms, public accounting, and government will present ideas, concepts, and other industry specific audit content. Topics include audits of concessions, parking, rental cars, construction, risk, fraud, communication skills and tips in using information technology to enhance audit capabilities. See the conference agenda above for more information.

**Program Level:** Entry level to intermediate. Sessions are designed for auditors or financial staff charged with overseeing the contractual requirements of airport tenants. Material is designed for participants who have experience auditing airport operations and tenants, as well as for participants new to the airport environment.

**Prerequisites:** None

**Advanced Preparation:** No advance preparation is required.

**Delivery Method:** Group Live.

**Recommended CPE:** All participants are eligible to receive up to 22 CPE credits.

**Registration Instructions** and conference fees are included in the registration package herein and can also be obtained from the Association's website: [www.airport-auditors.com](http://www.airport-auditors.com)

**Refund/Cancellation Policy:** Refunds in full must be requested in writing by May 15, 2017. Refund requests should be sent via email to Laura Tatem at [LTatem@TampaAirport.com](mailto:LTatem@TampaAirport.com). No refunds will be granted after May 15, 2017; however, the remitting organization can send another participant in place of the original registrant.

**Contact Information and Complaint Resolution Policy:** For more information regarding refunds, complaints, and/or program cancellation policies, please contact Janice Mirarchi at 215.937.6982 or [Janice.Mirarchi@phl.org](mailto:Janice.Mirarchi@phl.org). Written complaints should be addressed to:

## Janice Mirarchi

Contracts Audit Supervisor  
Division of Aviation  
Philadelphia International Airport  
Terminal E, 3rd Floor  
Philadelphia, PA 19153



The Association of Airport Internal Auditors is registered with the National Association of State Boards of Accountancy (NASBA), as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN 37219-2417. NASBA sponsor number: 103126 Web site: [www.nasba.org](http://www.nasba.org)



## Speaker Bios

### **Claire Aboko-Venn**

Claire Aboko-Venn comes with over 40 years of experience in auditing both at the external and internal audit levels, and currently works for Wayne County Airport Authority in charge of Performance and Process Improvements in the Operations Division. In this role she performs, among other duties, performance and process audits and ensures efficiencies in contract management. She has been part of the AAIA since 2007 and has been a member of board. Claire Aboko-Venn is a Chartered Accountant.

### **Felicia Carlee**

Felicia Carlee is a Senior Manager of Internal Audit for Hillsborough County Aviation Authority (HCAA). HCAA is an independent special district of the State of Florida with exclusive jurisdiction, control, supervision and management over Tampa International Airport, Peter O. Knight Airport, Plant City Airport, and Tampa Executive Airport. Felicia has approximately 23 years of auditing experience and has been at HCAA for 9 years. Felicia is a Certified Public Accountant, licensed in the States of Florida and Maryland. She also is a Certified Internal Auditor, Certified Information Systems Auditor, and Certified Government Auditing Professional. Felicia is a member of:

- The Association of Airport Internal Auditors (AAIA)
- The American Institute of Certified Public Accountants (AICPA)
- The Florida Institute of Certified Public Accountants (FICPA)
- The Institute of Internal Auditors (IIA)
- The Association of Local Government Auditors (ALGA)
- Information Systems Audit and Control Association (ISACA)

### **Eric Conforti, CPA, CFE | Senior Manager**

Eric is a Senior Manager in our Forensic Investigative Services group, which performs over 100 investigations annually. He specializes in providing forensic investigations, data analytics, and analyses of internal controls. Eric is professionally trained in a variety of interviewing and interrogation methods. He has identified millions in losses due to asset misappropriation and his work has led to a number of successful law enforcement referrals at the federal, state, and local levels. Prior to joining the FVS practice, Eric was an auditor specializing in governmental and compliance audits. Eric is frequently requested to speak at industry conferences on matters related to fraud and data analytics. Eric is a member of Association of Certified Fraud Examiners and the Michigan Association of CPA's Fraud Task Force.

### **Patrick J. Dalton, CPA**

Pat is the Director of Internal Audit & Corporate Compliance for the Niagara Frontier Transportation Authority. The Niagara Frontier Transportation Authority (NFTA) is a regional multi-modal transportation authority responsible for air and surface transportation in Erie and Niagara Counties in New York State. NFTA businesses include Metro bus, Metro-link, a light rail system, ADA paratransit system, two international airports, and transportation centers in Buffalo and Niagara Falls.

Pat has previously worked for Ernst & Young as an audit manager. He has spent the last 24 years with the Niagara Frontier Transportation Authority as its Director of Internal Audit & Corporate Compliance. He is an active member of the Institute of Internal Auditors (IIA), American Institute of Certified Public Accountants (AICPA) and the Association of Airport Internal Auditors (AAIA). Pat serves as a member of the steering committee of the AAIA.

### **Edward Freni, Director of Aviation**

Edward C. Freni was appointed Aviation Director in 2007 after a career at Massport and with American Airlines that spanned 38 years. As director of Massport's aviation assets, Mr. Freni is responsible for administering, coordinating and managing airside and landside activities at Boston Logan International Airport, Hanscom Field in Bedford and Worcester Regional Airport.

Following a successful career at American Airlines where he was responsible for more than 2,000 employees as General Manager in Boston, Mr. Freni started at Massport in 2000 as Logan's Director of Aviation Operations, where he managed daily operations, airport facilities, public services and helped develop the daily security briefing following the attacks of September 11, 2001.

Freni received his Bachelor of Science from the Whittemore School of Business and attended the University of New Hampshire from 1970 to 1974. He was Captain of the University of New Hampshire 1973-74 Championship Hockey Team.

### **Michael Gee, CFE, MBA**

Michael Gee is a Senior Internal Auditor for the Metropolitan Airports Commission (MAC). The MAC owns and operates Minneapolis-St. Paul International Airport (MSP), as well as six general aviation airports within the Twin Cities metropolitan area. Michael has worked in the internal audit profession for over 13 years in various highly-regulated industries, including retail, defense/aerospace and health care. Auditing experience includes Sarbanes-Oxley compliance, Medicare Part D compliance, HIPAA, government contracting and Fraud Risk Management. Michael has been a Certified Fraud Examiner (CFE) since 2007 and has a BS in Finance and Marketing from the University of Wisconsin-La Crosse, as well as an MBA from St. Cloud State University.

### **Thomas P. Glynn, Ph.D.**

Thomas P. Glynn, Ph.D., became Chief Executive Officer of the Massachusetts Port Authority on November 1, 2012. In this role he oversees the 1,300-person agency with a \$700 million budget that owns and operates Boston Logan International Airport, the public container and cruise terminals in the Port of Boston, Hanscom Field, Worcester Regional Airport and real estate holdings in South Boston, East Boston and Charlestown.

Prior to joining Massport, Glynn was Chief Operating Officer of Partners HealthCare System, the Commonwealth of Massachusetts' largest network of teaching hospitals and neighborhood health centers. His previous roles included General Manager of the Massachusetts Bay Transportation Authority, Deputy Secretary of Labor for the Clinton Administration and Deputy Commissioner of Public Welfare in Massachusetts.

Glynn is a fellow of the National Academy of Public Administration and a former board member of the Council for Excellence in Government. A former lecturer at Harvard University's John F. Kennedy School of Government, Glynn earned a B.A. in Economics from Tufts University and a Ph.D. from the Heller School for Social Policy and Management at Brandeis University.

### **Danny Goldberg**

Danny M. Goldberg is the Founder of GOLDSRD ([www.GoldSRD.com](http://www.GoldSRD.com)), a leading provider of Staff Augmentation, Executive Recruiting and Professional Development services. Previously, Danny led the Professional Development and Executive Recruiting Practices at Sunera. Mr. Goldberg re-purchased his practice that he sold to Sunera in 2011.

Prior to joining Sunera in January 2011, Danny founded SOFT GRC, an advisory services and professional development firm. Danny has over 17 years of audit experience, including five as a CAE/Audit Director at two diverse companies.

Danny has served on the audit committee of the Dallas Independent School District and was the Chairman of the North Texas Leadership Council of the American Lung Association in 2012. Danny is also the IIA Dallas and Fort Worth Chapter Programs committee Co-Chairman for the 2012-2013 year and was elected to the Fort Worth IIA Board of Directors in 2013.

Danny co-authored the groundbreaking storybook format publication *People-Centric® Skills: Communication and Interpersonal Skills for Internal Auditors*, which was available from Wiley Publications in August 2014. *People-Centric Skills* is the first publication of its kind that *specifically focuses on communication and interpersonal skills for internal auditors*.

Danny is a well-known speaker across the nation, including numerous keynote presentations. He currently works with over 100 professional associations around the world and numerous Fortune 1000 companies, assisting in their professional development efforts.

Mr. Goldberg has been recognized as a top speaker at numerous events over the past years, including:

- 3rd Ranked Speaker, 2015 IIA All-Star Conference
- 8th rated speaker – 2015 MISTI AuditWorld
- 3rd and 10th rated speaker – 2014 and 2015 ISACA CACS
- One of the Top Ranked Speakers - 2014 IIA All-Star Conference (3.72/4.00 Rating)
- 2014 IIA Southern California District Conference – Keynote Speaker – 4.91/5.00 Rating
- 3rd overall ranked speaker out of 71 – 2014 ISACA CACS Conference
- One of the Top Ranked Speakers – 2014 IIA Gaming Conference

Danny is a Certified Public Accountant, Certified Internal Auditor, Certified Information Systems Auditor, Certified in the Governance of Enterprise Information Technology, Certified in Risk and Information Systems Control, Certified in Risk Management Assurance, has obtained his Certification in Control Self-Assessment and is a Chartered Global Management Accountant.

#### **Jason Kotecki**

Jason Kotecki is an artist who speaks. Really, really well! Having presented to over 600 organizations in the last 13 years, he's earned the designation of Certified Speaking Professional (CSP) by the National Speakers Association. Jason is an expert at helping people "Escape Adulthood," in order to restore balance, beat burnout, and become more innovative by breaking rules that don't exist. Jason uses his extraordinary artistic gifts, combined with humor and memorable storytelling, to spark intentional thinking that leads people to become more passionate and productive. Get a sneak peak: <http://EscapeAdulthood.com>

#### **Mark McCarthy**

Mark McCarthy, CCA, CFE, is a Senior Manager in the national construction cost review and consulting group for CBIZ. He has more than 10 years of experience in redrafting construction contracts, reviewing project budgets and analyzing bonding and insurance programs, including self-insured programs.

#### **Michelle D. McHale-Adams, CPA/CFF, CFE | Partner**

Michelle has over 20 years of experience in forensic accounting and is Plante Moran's Forensic Accounting Practice Leader. She has conducted numerous interviews, located and reviewed key documents, analyzed numerous financial records, traced assets, and quantified the financial losses for many clients in different industries. She has assisted counsel in discovery matters and has testified at trial regarding forensic accounting findings. She has helped organizations prepare economic loss claims that are filed with insurance companies for a variety of claims. Michelle has also provided financial consulting services for many large and small entities related to performing numerous Fraud Risk Assessments whereby vulnerable areas of the controls over cash are identified. These services have spanned many different industries, including the governmental sector. Michelle is the former Chair of the Michigan Association of Accountants' Fraud Task Force and is a frequent presenter on the topics of forensic accounting and internal controls.

**Zaid Mkhalfia** Zaid has been with Denver International Airport since 2008. He has a BS-Science of Management and an MS-MBA/Accounting degrees. He also holds CIA and CRMA certifications and have recently obtained the CISA certification. During his spare time, I like reading and watching documentaries.

#### **Debbie Mommaerts,**

Debbie Mommaerts is the Audit Manager at Columbus Regional Airport Authority, which consists of 3 airports: John Glenn Columbus International Airport, Rickenbacker International Airport, and Bolton Field.

She earned her CPA from the Accountancy Board of Ohio in September of 2000, her Certified Construction Auditor (CCA) from the National Association of Construction Auditors in 2012, her Certified Government Financial Manager (CGFM) from the Association of Government Accountants in 2015, and her Certified Internal Auditor (CIA) from the Institute of Internal Auditors in 2016.

Debbie has 19 years of accounting and auditing experience and has been at Columbus Regional Airport Authority for 5 years. Prior to coming to Columbus she worked as the Chief Financial Officer for a Juvenile Court, State Auditor's Office, a City Finance Director and she served 20 years in the US Navy.

Debbie is a member of the Association of Airport Internal Auditors (AAIA), Association of Government Accountants (AGA), the American Institute of Certified Public Accountants (AICPA), the National Association of Construction Auditors (NACA), Institute of Internal Auditors (IIA), and the Ohio Society of CPAs (OSCPA).

#### **Sheila D. Rojas CPA, CIA, CGAP**

Sheila began her auditing career with the Auditor General Office for the State of Florida. She worked as a senior auditor and was the lead in-charge auditor for the Federal, Financial and Operational audits at Higher Education Institutions like the University of Central Florida and Valencia College. Also, she has previously worked as the Assistant Controller for the Florida Polytechnic University. She is a Certified Public Accountant for the state of Florida, Certified Internal Auditor and a Certified Government Auditing Professional and has over 17 years of auditing experience. When she is not auditing, she likes to spend her time baking, painting ceramics and volunteering at church.

Currently, she works as a senior auditor for the Greater Orlando Aviation Authority for the Orlando International Airport and Orlando Executive Airport. OIA is the 2nd busiest airport in Florida, with nearly 42 million passengers visiting each year and generates over \$31 billion in direct and indirect revenue for the regional economy.

**Jake Ortego, PE, CCP, CCA**

Mr. Ortego is the co-founder and President of JA Cost Engineers and Advisors. Jake has actively been involved on nearly every aspect of capital improvement processes from inception through design, construction, and closeout for project that range for the millions to over \$1B. He is a licensed mechanical engineer with over 22 years of experience in all phases of the design-construction process and extensive involvement in the project controls, scheduling, project management and engineering management of industrial and commercial projects. He is a Licensed Professional Engineer, Certified Construction Auditor, and a Certified Cost Engineer.

**Rick Shields**

Rick Shields is a CPA with 20 years of experience in public accounting. He began working with airports in 1995 and has performed rentacar, parking, gift shop, food and beverage, and financial statement audits for approximately ten airports.

Mr. Shields has acquired the Certified Fraud Examiner (CFE) designation awarded by The Association of Certified Fraud Examiners (ACFE). He has also acquired the CompTIA A+ certification and has successfully completed the Certified Information Systems Auditor (CISA) examination. He has written for Airport Magazine, published by the American Association of Airport Executives (AAAE).

Mr. Shields is employed by Blue & Co., LLC, a Midwest-based CPA firm with affiliates throughout the United States and North America.

**Laura Tatem**

Laura Tatem is the Director of Internal Audit for Hillsborough County Aviation Authority (HCAA). HCAA is an independent special district of the State of Florida with exclusive jurisdiction, control, supervision and management over Tampa International Airport, Peter O. Knight Airport, Plant City Airport, and Tampa Executive Airport.

Laura is a Certified Public Accountant, licensed in the States of Florida and Virginia. She is also a Certified Internal Auditor and Certified Government Auditing Professional. She has approximately 13 years of auditing experience and has been at Tampa International Airport for four years. Prior to that, she worked as an external auditor primarily in the fields of government, non-profit, and construction.

Laura is a member of:

- The Association of Airport Internal Auditors (AAIA)
- Airports Council International-North America (ACI-NA)
- Florida Airports Council (FAC)
- The American Institute of Certified Public Accountants (AICPA)
- The Florida Institute of Certified Public Accountants (FICPA)
- The Institute of Internal Auditors (IIA)
- The Association of Local Government Auditors (ALGA)
- The Government Finance Officers Association (GFOA)
- The Florida Government Finance Officers Association (FGFOA)

She also serves as Board Member and Treasurer for AAIA, Board Treasurer and Finance Committee Chair for the Humane Society of Tampa Bay and as a Board Member and Communications Committee Chair for the Florida Audit Forum. She has three dogs, three cats, and a turtle.

**Lucy Vanderhoff**

Lucy is the Staff Auditor at the Columbus Regional Airport Authority in Columbus, OH. She has been with the Authority since 2015. Prior to coming to the Airport Authority, Lucy worked at Deloitte and most recently for the State Auditor's Office. She has a Bachelor's Degree in Accounting from Ohio Northern University.

**Usha Yarlagadda**

Usha started her auditing career at DEN as a Staff Auditor in 2006. She is now the Internal Audit Director / CAE for Denver International Airport. She has M.S. in Accounting and MBA degrees. She is also a certified Internal Auditor. Denver International Airport is the 15th-busiest airport in the world and the fifth-busiest airport in the United States. With more than 53 million passengers traveling through each year, the airport is the primary economic engine for the state of Colorado, generating more than \$26 billion for the region annually.

**AMY GONZALEZ**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
TRAVEL EXPENSE REPORT**

*(To be completed within 30 days from travel return date)*

TRAVELER: Amy Gonzalez DEPT. NAME & NO. General Counsel  
 DEPARTURE DATE: 4/26/2017 RETURN DATE: 4/26/2017 REPORT DUE: 5/26/17  
 DESTINATION: Palm Springs, CA

*Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.*

	Authority Expenses (Prepaid by Authority)	Employee Expenses							TOTALS
		SUNDAY	MONDAY	TUESDAY 4/25/17	WEDNESDAY 4/26/17	THURSDAY	FRIDAY	SATURDAY	
Air Fare, Railroad, Bus (attach copy of itinerary w/charges)									0.00
Conference Fees (provide copy of flyer/registration expenses)									0.00
Rental Car*									0.00
Gas and Oil*									0.00
Garage/Parking*			34.00						34.00
Mileage - attach mileage form*			11.10	11.10					22.20
Taxi and/or Shuttle Fare (include tips pd.)*									0.00
Hotel*			275.74						275.74
Telephone, Internet and Fax*									0.00
Laundry*									0.00
Tips - separately paid (maids, bellhop, other hotel srvs.)									0.00
Meals (include tips pd.)	Breakfast*								0.00
	Lunch*								0.00
	Dinner*								0.00
	Other Meals*								0.00
<i>Alcohol is a non-reimbursable expense</i>									
Hospitality <sup>1*</sup>									0.00
Miscellaneous									0.00
Baggage fee									0.00
*Provide detailed receipts									0.00
Total Expenses prepaid by Authority		0.00	0.00	320.84	11.10	0.00	0.00	0.00	331.94
Explanation:		Total Expenses Prepaid by Authority							0.00
No other receipts were provided for this travel report.		Total Expenses Pd. by Employee (including cash advances)							331.94
		Grand Total							331.94
		Less Cash Advance (attach copy of Authority ck)							
		Less Expenses Prepaid by Authority							0.00
		Due Traveler (positive amount) <sup>2</sup>							
		Due Authority (negative amount) <sup>3</sup>							331.94
<sup>1</sup> Give names and business affiliations of any persons whose meals were paid by traveler. <sup>2</sup> Prepare Check Request <sup>3</sup> Attach personal check payable to SDCRAA Note: Send this report to Accounting even if the amount is \$0.									

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy<sup>4</sup> and 3.30 - Business Expense Reimbursement Policy<sup>5</sup> and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.  
<sup>4</sup> Travel and Lodging Expense Reimbursement Policy 3.40      <sup>5</sup> Business Expense Reimbursement Policy 3.30

Prepared By: Kendy Rios Ext.: x2424  
 Traveler Signature: Amy Gonzalez Date: 7-11-17  
 Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

**AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE** (To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)

I, \_\_\_\_\_ hereby certify that this document was approved by the Executive Committee at its \_\_\_\_\_ meeting.  
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)  
 (Leave blank and we will insert the meeting date.)

Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.

GUEST FOLIO

JW MARRIOTT



DESERT SPRINGS MARRIOTT

81988 GONZALEZ/A 240.00 04/26/17 11:00 14:190 1:60:15  
 KCVL 04/25/17 22:05  
 ACCT# GROUP  
 Payment MRW









DATE	REFERENCE	CHARGES	CREDITS	BALANCE DUE
04/25	RESORT	RESORT	1.00	
04/25	RESORTTX	RESORT	.14	
04/25	VALETPK	VALET1	34.00	
04/25	ROOM-GR	8198, 1	240.00	
04/25	TAX/BID	8198, 1	33.60	
04/25	CATOUR	8198, 1	1.00	
04/26	VS CARD			\$309.74

SETTLED TO: VISA CARD CURRENT BALANCE .00

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-  12. Turn left onto Cahuilla Rd/CA-371. Continue to follow CA-371.  
 CA-371 is 0.2 miles past High Point Truck Trl.  
 If you reach Old Meadow Dr you've gone about 0.1 miles too far.  
 ----- Then 20.67 miles ----- 97.71 total miles
-  13. Turn right onto State Highway 74/CA-74. Continue to follow CA-74.  
 CA-74 is 0.6 miles past Old Cahuilla Rd.  
 If you are on Paradise Dr and reach Wampum Trl you've gone a little too far.  
 Then 24.21 miles 121.92 total miles
-  14. CA-74 becomes Monterey Ave.  
 ----- Then 2.50 miles ----- 124.42 total miles
-  15. Turn right onto Country Club Dr.  
 Country Club Dr is 0.2 miles past Sagewood Dr.  
 If you reach Via Barbato you've gone about 0.1 miles too far.  
 ----- Then 2.01 miles ----- 126.43 total miles
-  16. Turn left onto Cook St.  
 Cook St is 0.2 miles past Desert Springs Dr.  
 If you reach The Lakes Dr you've gone about 0.3 miles too far.  
 ----- Then 0.10 miles ----- 126.54 total miles
-  17. Make a U-turn onto Cook St.  
 ----- Then 0.17 miles ----- 126.71 total miles
-  18. Take the 1st right onto Country Club Dr.  
 If you reach Riviera Dr you've gone about 0.4 miles too far.  
 Then 0.06 miles 126.77 total miles
-  19. Desert Springs Marketplace, 74884 Country Club Dr, Palm Desert, CA, 74884  
 COUNTRY CLUB DR is on the right.  
 If you reach Desert Willow Dr you've gone about 0.1 miles too far.

Use of directions and maps is subject to our [Terms of Use](#). We don't guarantee accuracy, route conditions or usability. You assume all risk of use.



## 2017 ACI-NA Business of Airports Conference Agenda (Finance Track)

April 24-26, 2017 • JW Marriott Desert Springs • Palm Springs, CA  
(updated as of April 20, 2017)

### Monday, April 24, 2017

- 8:00am – 4:30pm      **Registration**  
*Foyer*
- 8:00am – 9:00am      **Networking Breakfast**  
*Springs Patio*
- 8:30am – 4:00pm      **Finance Committee Workshop** (*Open to all registered attendees*)  
*Salon F*
- 8:30am – 9:30am      **Welcome and Opening Remarks** by Andy Rountree, Chair, ACI-NA Finance Committee;  
*1 CPE Credit*      Vice President and CFO, Metropolitan Washington Airports Authority
- Airport/Airline Business Working Group**, Chaired by Tatiana Starostina, Manager,  
                                 Financial Planning, Oakland International Airport
1. Business term survey, Dafang Wu, Associate Director, DWU Consulting LLC
  2. Air carrier incentive program, Randy Fiertz, Airport Regional Director, Northwest Region, FAA
- 9:30am – 9:45am      **Break**
- 9:45am – 10:45am      **Accounting and Financing Working Group**, Chaired by Max Underwood, Vice President,  
*1 CPE Credit*      Finance, Dallas/Fort Worth International Airport
1. General Accounting Update:
    - a. Accounting for Leases – Max Underwood, Vice-President, Finance, DFW International Airport (10 minutes)
    - b. US Accounting – Ali H. Hijazi, Senior Audit Manager, Plante Moran, Detroit Michigan (10 minutes)
    - c. Canadian Accounting – Catherine Kloepper, Sr. Vice President Corporate Services & CFO, Winnipeg Airports Authority (5 minutes)
  2. Private Placement Financing
    - a. An Overview – William Case, Director, Public Financial Management, Inc. (5 minutes)
    - b. Recent Airport Placement – Michael Phemister, Vice-President, Treasury Management, DFW International Airport (10 minutes)

Speakers: Thomas P. Nolan, Executive Director, Palm Springs International Airport  
William R. Vanecek, Chair, ACI-NA and Director of Aviation, Buffalo Niagara International Airport

9:30am – 10:45am **Keynote Speaker: Jim Knight, Business Culture Catalyst and Former Hard Rock International Executive & Author of *Culture That Rocks!***  
Salon 8-14  
1.5 CPE Credit  
Learn from the acclaimed author of *Culture That Rocks!* how people-oriented businesses can achieve rock star status. Sharing lessons from his more than 30-year career in hospitality training, Jim Knight will provide thought-provoking and refreshingly candid advice on organizational culture, customer service, employee branding, building teams, performance management, philanthropy and facilitation training.

10:45am – 11:15am **Networking Break**  
Desert 1-7

11:15am – 12:30pm **Session 1C: Disruptive Business Trends: Implications for Airport Operations and Finance**  
Salon F  
1.5 CPE Credits  
Transportation Network Companies (TNCs), other ridesharing businesses, self-service airline technological trends, sensing technologies (beacons, Bluetooth, and Wi-Fi), and airport apps have created both opportunities and challenges for airports in managing finances, facilities, and operations. Future trends that could be disruptive to airports might include drone package deliveries, personal airborne transportation systems (PATS), and autonomous vehicles. How can airports best address and capitalize on these trends? Learn from a panel that's lived through these changes and continues to seek the best solutions posed by these game changing market dynamics.

Moderator: Sheri Ernico, Director, Leigh Fisher

Speakers: Dale Kirby, Vice President Sales, North America, SITA  
Tyler Maheu, C.M., Aviation Superintendent, Operations – Ground Transportation, Phoenix Sky Harbor International Airport  
Steve Willer, Business Development Manager, AirMap

12:30pm – 2:00pm **Lunch in Networking Lounge**  
Salon 1-7

2:00pm – 3:15pm **Session 2C: Strategic Capital Investment Decisions**  
Salon F  
1.5 CPE Credits  
As existing airport infrastructure continues to age and traffic volumes continue to rise, airport operators face decisions about how much to invest in maintaining physical assets, renovating facilities, and/or building new facilities. This session will look at ways to make those decisions strategically, provide approaches to getting stakeholder buy-in, and explore tools to help you get there. Questions to be addressed include:

- How can you sell your capital improvement program to the airlines and your community in tough economic times?
- How do you go through the decision-making process? What are the parameters to consider? Are hurdle rate policies effective? How do you evaluate capital projects?
- How do you programmatically maintain your physical assets?
- What financing tools do you use for different projects?

Moderator: Sylvia Ambrogio, Airport Chief Administrative Officer, Finance & Administration, Department of Airports, Sacramento County Airport System

Speakers: Elliott Black, Director, Office of Airport Planning and Programming (APP-1), Federal Aviation Administration  
Roy Block, President, RW Block Consulting, Inc.  
Sharon Sarmiento, Ph.D., Principal, Unison Consulting, Inc.

3:15pm – 3:45pm **Networking Break**  
Salon 1-7

- mitigate your exposure?
5. How have you seen your airport/airport industry respond/react to airline mergers over the past 10 years?
  6. Time permitting, discuss the impact of TNCs on your airport (this topic will be discussed in earlier Finance Session)
  7. Other pertinent topics as directed by participants

*Directors 2*      **Medium Hub Airport Roundtable**

Facilitators: Sylvia Ambrogio, Airport Chief Administrative Officer, Finance & Administration, Department of Airports, Sacramento County Airport System  
 Brian McGonagle, Department Director of Finance, Lee County Port Authority Southwest Florida

This roundtable will focus on the following issues:

1. Now that passengers are growing, what's working for your Airport?
2. Are there new trends to grow nonairline revenues?
3. TNC's – How are they impacting your airport?
4. Preparing for the GASB Exposure Draft: Leases. What should we expect?
5. Preparing the CIP is an ongoing effort. What works and what doesn't?
6. How many cost centers are enough? What is the best way to amortize costs to airlines?
7. Sustainability – How are you grooming the next generation of leaders.
8. What is your airport doing to grow air service development? Does a marketing incentive program really work?

*Directors 3*      **Small/Non Hub Airport Roundtable**

Facilitators: Dave Armstrong, Finance Director, Spokane International Airport  
 John Schubert, CPA, Senior Director of Finance and IT, Tucson Airport Authority

Given the staffing constraints and different organization models at the small and non-hub airport, how are you handling these specific topics?

1. What does your Capital Improvement Plan (CIP) process look like including grant and PFC applications? Do you have an annual process?
2. What do you report to your board or governing body? And in what format do you report?
3. Where are you in terms of PCI Compliance, Network Security issues, and Cyber Insurance or other risk management techniques?
4. What is YOUR key issue this year?
5. Please be prepared to discuss these, and any other, topics presented by your colleagues.

*Directors 4*      **Canadian Airport Roundtable**

Facilitator: Rob Malli, Chief Financial Officer & Vice President, Strategy and Corporate Services, Edmonton Regional Airports Authority

This roundtable will focus on the following issues:

1. Canadian airports privatization & CTA review – update and discussion
2. AIF MOA and airline consultative process – roundtable
3. Fort McMurray update – lessons learned regarding insurance and operations
4. ACI World Economics and Finance conference / committee update

12:30pm – 2:00pm  
 Springs Patio

Lunch in Networking Lounge

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
TRAVEL EXPENSE REPORT**

*(To be completed within 30 days from travel return date)*

TRAVELER: Amy Gonzalez DEPT. NAME & NO. General Counsel  
 DEPARTURE DATE: 7/13/2017 RETURN DATE: 7/14/2017 REPORT DUE: 8/13/17  
 DESTINATION: Chicago, IL

*Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.*

	Authority Expenses (Prepaid by Authority)	Employee Expenses							TOTALS
		SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY 7/13/17	FRIDAY 7/14/17	SATURDAY 7/15/17	
Air Fares, Railroad, Bus (attach copy of Itinerary w/charges)	506.50								0.00
Conference Fees (provide copy of flyer/registration expenses)									0.00
Rental Car*									0.00
Gas and Oil*									0.00
Garage/Parking*									0.00
Mileage - attach mileage form*									0.00
Taxi and/or Shuttle Fare (include tips pd.)*						57.25	3.00		60.25
Hotel*						233.63			233.63
Telephone, Internet and Fax*									0.00
Laundry*									0.00
Tips - separately paid (maids, bellhop, other hotel svcs.)									0.00
Meals (include tips pd.)	Breakfast*								0.00
	Lunch*								0.00
	Dinner*								0.00
	Other Meals*								0.00
Alcohol is a non-reimbursable expense									0.00
Hospitality <sup>1</sup> *									0.00
Miscellaneous									0.00
Baggage fee									0.00
*Provide detailed receipts									0.00
<b>Total Expenses prepaid by Authority</b>	<b>506.50</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>290.88</b>	<b>3.00</b>	<b>0.00</b>	<b>293.88</b>

Explanation:  No other receipts were provided for this travel report.	Total Expenses Prepaid by Authority	506.50
	Total Expenses Pd. by Employee (including cash advances)	293.88
	<b>Grand Trip Total</b>	<b>800.38</b>
	Less Cash Advance (attach copy of Authority ck)	
	Less Expenses Prepaid by Authority	506.50
	<b>Due Traveler (positive amount)<sup>2</sup></b>	<b>293.88</b>
<b>Due Authority (negative amount)<sup>3</sup></b>		<b>293.88</b>
<i>Note: Send this report to Accounting even if the amount is \$0.</i>		

<sup>1</sup> Give names and business affiliations of any persons whose meals were paid by traveler.  
<sup>2</sup> Prepare Check Request  
<sup>3</sup> Attach personal check payable to SDCRAA

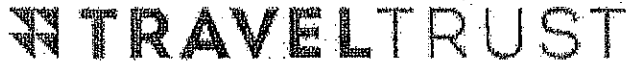
I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy<sup>4</sup> and 3.30 - Business Expense Reimbursement Policy<sup>5</sup> and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.  
<sup>4</sup> Travel and Lodging Expense Reimbursement Policy 3.40      <sup>5</sup> Business Expense Reimbursement Policy 3.30

Prepared By: Kendy Rios Ext.: x2424  
 Traveler Signature: *Amy Gonzalez* Date: 7/28/17  
 Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

**AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE** (To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)

I, \_\_\_\_\_ hereby certify that this document was approved by the Executive Committee at its \_\_\_\_\_ meeting.  
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)  
 (Leave blank and we will insert the meeting date.)

Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.



Traveltrust Corporation  
 374 North Coast Hwy 101, Suite F  
 Encinitas, CA 92024  
 Phone: (760) 635-1700



Monday, 26 JUN 2017 05:50 PM EDT

Passengers: AMY GONZALEZ (15)  
 Agency Reference Number: SDOJPZ

Click here to view your current itinerary or ETicket receipt on-line: [tripcase.com](http://tripcase.com)

American Airlines Confirmation SDOJPZ

Please review your itinerary and report any discrepancies to Traveltrust within 24hrs of receipt  
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 EACH FLIGHT FOR THE MOST CURRENT TIMES AND ALERTS

AIR	Thursday, 13 JUL 2017	
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<b>American Airlines</b> From: San Diego CA, USA To: Chicago O'Hare IL, USA Stops: Nonstop Seats: 28D Equipment: Boeing 737-800 Jet DEPARTS SAN TERMINAL 2 - ARRIVES ORD TERMINAL 3 <b>American Airlines Confirmation number is SDOJPZ</b>	<b>Flight Number: 2624</b> <b>Depart: 03:50 PM</b> <b>Arrive: 09:59 PM</b> Duration: 4 hour(s) 9 minute(s) Status: CONFIRMED MEAL: FOOD FOR PURCHASE	<b>Class: L-Coach/Economy</b>      Miles: 1719 / 2750 KM
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AIR	Friday, 14 JUL 2017	
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<b>American Airlines</b> From: Chicago O'Hare IL, USA To: San Diego CA, USA Stops: Nonstop Seats: 16C Equipment: Boeing 737-800 Jet DEPARTS ORD TERMINAL 3 - ARRIVES SAN TERMINAL 2 PREMIUM SEAT NONREFUNDABLE <b>American Airlines Confirmation number is SDOJPZ</b>	<b>Flight Number: 1228</b> <b>Depart: 08:20 PM</b> <b>Arrive: 10:32 PM</b> Duration: 4 hour(s) 12 minute(s) Status: CONFIRMED MEAL: FOOD FOR PURCHASE	<b>Class: L-Coach/Economy</b>      Miles: 1719 / 2750 KM
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THIS TICKET IS NON-REFUNDABLE AND MUST BE USED FOR THE FLIGHTS BOOKED. IF THE RESERVATION IS NOT USED OR CANCELLED BEFORE THE DEPARTURE OF YOUR FLIGHTS IT MAY HAVE NO VALUE. CONTACT TRAVELTRUST BEFORE YOUR OUTBOUND FLIGHT IF CHANGE IS NECESSARY. AMERICAN AIRLINES CONFIRMATION NUMBER - SDOJPZ FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043

Ticket/Invoice Information

The Westin Chicago River North  
 320 North Dearborn St.  
 Chicago, IL 60654  
 United States  
 Tel: 312-744-1900 Fax: 312-527-2650



Amy Gonzalez  
 TRAVEL ASSOCIATES  
 FG13AC - Foley and Lardner LLP - Ju Att

Page Number : 2 Invoice Nbr : 531167  
 Guest Number : 4071587  
 Follo ID : A  
 Arrive Date : 13-JUL-17 22:42  
 Depart Date : 14-JUL-17 08:24  
 No. Of Guest : 1  
 Room Number : 1907  
 Club Account :

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EXPENSE SUMMARY REPORT

Currency: USD

Date	Room	Tax	Food/Bev	Phone/Int	Other	Total	Payment
07-13-2017	199.00	32.64	0.00	0.00	1.99	233.63	0.00
07-14-2017	0.00	0.00	0.00	0.00	0.00	0.00	-233.63
Total	199.00	32.64	0.00	0.00	1.99	233.63	-233.63

Signature \_\_\_\_\_



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\*\*\*\*\*

Blue Line  
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TVM #: TVM07001  
Fri 14 Jul 17 03:25PM

Payment Type: Debit

Purchase:  
New card fee: \$ 0.50  
Single Ride Ticket \$ 2.50

Purchase Amount: \$ 3.00

Ticket #: \*\*\*\*\* 7760

Debit Card #: \*\*\*\*\*

Auth #:

Ref #: 000001123790

Transaction #: 0000029966

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877-669-8368.

[www.MetraChicago.com](http://www.MetraChicago.com)

copy

8:30 AM – 10:00 AM Session  
10 am- 10:15 -- AM Break (ACI-NA General break is from 10:00 to 10:30)  
10:15 AM – 12:15 PM Session  
12:15 -- 1:15 Networking Lunch  
1:15– 2:45 PM Afternoon Session  
2:45 -- 3:00 PM Afternoon Break (ACI-NA Break is 2:45 pm – 3:15 pm)  
3:00 -- 5:30 PM Session

**Sunday, September 17**

8:00 – 9:00 AM Continental Breakfast  
9:00 AM -- Noon Morning Session  
10:00-10:15 Morning Break (ACI-NA General Break is from 10:00 to 10:30)  
Noon – 1:00 PM Lunch  
1:00 PM – 2:30 PM Session  
2:30 PM – 2:45 PM Afternoon Break  
2:45 PM – 4:45 PM Session

# **BUSINESS EXPENSE**

**KIMBERLY J BECKER**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**BUSINESS EXPENSE REIMBURSEMENT REPORT**

May-July 2017

Period Covered

DATE	G/L Account	Description	AMOUNT
5/25/2017	66290	Parking for SD Chamber of Commerce Meeting	\$ 20.00
5/25/2017	66290	Parking for SDTA Golden Watchdog & Fleece Awards	\$ 5.00
6/22/2017	66290	Parking for SD Chamber of Commerce Meeting	\$ 18.00
6/22/2017	66240.100	Lunch with COO of San Diego Chamber of Commerce at Coasterra	\$ 57.60
6/22/2017	66290	Parking for meeting at SANDAG	\$ 15.00
6/26/2017	66290	Parking for meeting with CEO of SD Convention Center	\$ 10.00
6/27/2017	66290	Parking for Downtown SD Partnership Meeting	\$ 22.00
7/24/2017	66290	Lyft ride to P3 Conference in San Diego	\$ 9.25
7/24/2017	66290	Lyft ride from P3 Conference in San Diego	\$ 9.25
7/25/2017	66290	Lyft ride to P3 Conference in San Diego	\$ 9.25
7/25/2017	66290	Lyft ride from P3 Conference in San Diego	\$ 9.25
<b>TOTAL</b>			<b>\$184.60</b>

I acknowledge that I have read, understand and agree to Authority \*Policy 3.30 - Business Expense Reimbursement Policy and that any purchases that are not allowed will be my responsibility. I further certify that this report of business expenses were incurred in connection with official Authority business and is true and correct.

\* Policy 3.30

*Kimberly J Becker*

NAME Kimberly Becker

DATE 7/28/2017

APPROVED:

*[Signature]*

NAME

DATE

**BUSINESS EXPENSE RECEIPTS FOR KIMBERLY J. BECKER  
MAY - JULY, 2017**

*Lunch w/ Chamber*  
**Aimee Falseth**  
 COO OF SD CHAMBER  
 OF COMMERCE  
 Coasterra  
 GM: Charles Schmidt  
 880 Harbor Island Drive  
 San Diego, CA 92101  
 619-814-1300

*MTG w/ PRESIDENT OF*  
**Receipt** CONVENTION  
 CTR.  
 880 Harbor Island Drive  
 San Diego, CA 92101

**Sale**

Server: Kendra 410/1	06/22/2017 1:20 PM
Guests: 2	150001
Reprint #: 1	
Iced Tea (2 @3.95)	7.90
Coconut-Lime Shrimp Tacos	18.00
Lunch Swordfish Veracruz	26.00
Complete Subtotal	51.90
Subtotal	51.90
Tax	4.14
3% Surcharge*	1.58
Total	57.60
Balance Due	57.60

Receipt Number: 39003406  
 Arrived: 26 Jun 2017 06:13 PM  
 Paid: 26 Jun 2017 07:09 PM  
 Ticket Number: 151139  
 Payment Method: MasterCard  
 Approval Code: 1588452911  
 Valet Fee: \$7.00  
 Tip: \$3.00  
 Total: **\$10.00**

We appreciate your business.  
 Thank you for parking with us

**IRVINE COMPANY**  
 Since 1964  
*DOWNTOWN SD PARTNERSHIP*  
*MTG (SPOKE)*  
**Full Statement**

P/S #03      A Payment No. 00000056  
 T/D #01      Ticket No. 045980  
 Entry Time 06/27/2017 (Tue) 8:55  
 Exit Time 06/27/2017 (Tue) 8:04  
 Parking Time 2:09  
 Parking Fee Rate A \$22.00

MasterCard  
 Account # \*\*\*\*\*  
 Slip # 25821  
 Auth Code 05845Z  
 Credit Card Amount \$22.00  
 Cash Amount \$0.00

**Total** **\$22.00**  
 Thank You for Your Visit.  
 Please Come Again.!

**Becker Kimberly**

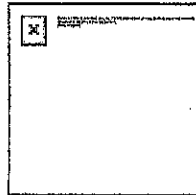
---

**From:** Kim Becker [REDACTED]  
**Sent:** Thursday, July 27, 2017 4:20 PM  
**To:** Becker Kimberly  
**Subject:** Fwd: Your ride with Marissa on July 24

Return from P3 Day 1

Begin forwarded message:

**From:** Lyft Ride Receipt <[no-reply@lyftmail.com](mailto:no-reply@lyftmail.com)>  
**Date:** July 24, 2017 at 10:14:17 PM PDT  
**To:** [REDACTED]  
**Subject:** Your ride with Marissa on July 24



Thanks for riding with Marissa!

July 24, 2017 at 10:04 PM

**Ride Details**

Lyft fare (1.73mi, 7m 18s)	\$4.00
Service fee	\$2.25
Tip	\$3.00
<hr/>	
PayPal	<b>\$9.25</b>



Pickup 10:04 PM  
501 Pacific Hwy, San Diego, CA

**Becker Kimberly**

---

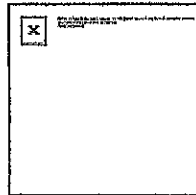
**From:** Kim Becker [REDACTED]  
**Sent:** Thursday, July 27, 2017 4:18 PM  
**To:** Becker Kimberly  
**Subject:** Fwd: Your ride with Zjoncarlo on July 25

Return from P3 Conference

*Day 2*

Begin forwarded message:


**From:** Lyft Ride Receipt <[no-reply@lyftmail.com](mailto:no-reply@lyftmail.com)>  
**Date:** July 25, 2017 at 4:02:13 PM PDT  
**To:** [REDACTED]  
**Subject:** Your ride with Zjoncarlo on July 25



Thanks for riding with Zjoncarlo!

July 25, 2017 at 3:29 PM

**Ride Details**

Lyft fare (1.56mi, 8m 0s)	\$4.00
Service fee	\$2.25
Tip	\$3.00
<hr/>	
 PayPal	<b>\$9.25</b>



Pickup 3:29 PM  
2 Market PI, San Diego, CA



**APRIL BOLING**



# RECEIPT

061518

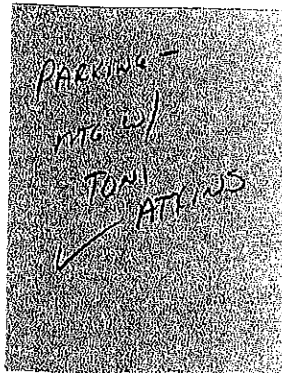
**MANCHESTER GRAND HYATT**  
1 Market Place  
San Diego, CA 92101



SOUTHLAND PRINTING - SHREVEPORT, LA.

052559

7903 07/24 08:04 07/24 17:48 \$40.00 7792



100.6234

# RECEIPT

067902

**MANCHESTER GRAND HYATT**  
1 Market Place  
San Diego, CA 92101



SOUTHLAND PRINTING - SHREVEPORT, LA.

052559

3106 07/25 08:36 07/25 13:41 \$40.00 7792

300  
1  
300  
300

**MARK BURCHYETT**

# SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

## BUSINESS EXPENSE REIMBURSEMENT REPORT

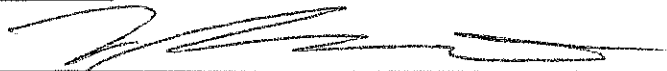
July 2017

Period Covered

DATE	G/L Account	Description	AMOUNT
7/14/17	66240	Annual audit planning retreat and department team building luncheon at the US Grant Hotel for the Office Chief Auditor staff that included Fred Bolger, Marnie Dale, Shane Ellis, Suzanne Olinzock, Scott Thein, Jared Torres, Callie Ullman, and Mark Burchyett.	\$243.57
<b>TOTAL</b>			<b>\$243.57</b>

I acknowledge that I have read, understand and agree to Authority \*Policy 3.30 - Business Expense Reimbursement Policy and that any purchases that are not allowed will be my responsibility. I further certify that this report of business expenses were incurred in connection with official Authority business and is true and correct.

\* Policy 3.30



NAME Mark A. Burchyett, Chief Auditor

7/26/17

DATE

APPROVED: *By the Executive Committee on 8/28/17.*

NAME *Jenny R. Russell*  
Authority Clerk

DATE

GRANT GRILL  
326 Broadway  
San Diego, CA 92101  
Tel: (619) 232-3121

Grant Grill  
The US Grant  
San Diego

914880041 John T

Customer Copy

CHK 5459 TBL 46/1

1 Cup Soup	6.00 T1
1 Petite Greens	14.00 T1
1 Cup Mock	6.00 T1
1 Beets Salad	24.00 T1
Add \$ Catch	
1 Salmon BLT	16.00 T1
1 Cup Mock	6.00 T1
1 Petite Greens	23.00 T1
Add \$ Catch	
1 Cup Soup	6.00 T1
1 Roasted Chicken	17.00 T1
Petite Greens	20.00 T1
Add \$ Chicken	
1 Salmon BLT	19.00 T1
1 Salmon BLT	19.00 T1
1 Coke	4.00 T1
1 Iced Tea	4.00 T1
1 Arnold Palmer	4.00 T1

\$188.00

Sales Tax

\$14.57

**Total Due: \$202.57**

TIP: \_\_\_\_\_

TOTAL: \_\_\_\_\_

ROOM NO: \_\_\_\_\_

PRINT NAME \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

Table # : 46 /1  
Server : 914880041John T  
Merchant ID : 001060000019956540  
Terminal ID : 1488401  
Card No. : XXXXXX [REDACTED]  
Check No. : 5459  
EntryMode : SWIPE  
Card Type : VISA  
Trans Type : SALE  
Trans Time : 07/14/2017 13:40  
Trace No. : 022498  
Auth Code : 012800

Subtotal : USD 202.57

Tip : USD 41-

Total : USD 243.57

\*SIGNATURE VERIFIED\*

I agree to the terms of my  
credit agreement.

\*\*\* CUSTOMER COPY \*\*\*

Olinzock Suzanne

---

**Subject:** OCA Annual Retreat  
**Location:** The Mess Hall  
**Start:** Fri 7/14/2017 9:00 AM  
**End:** Fri 7/14/2017 12:00 PM

**Recurrence:** (none)

**Meeting Status:** Meeting organizer

**Organizer:** 8 Olinzock Suzanne

**Required Attendees:** Burchyett Mark, Bolger Fred, Ullman Callie, Ellis Shane, Thein Scott, Dale Maria, Backo Mustafa, Torres Jared

Lunch off-site will follow the morning meeting.

**AMY GONZALEZ**



# SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

## BUSINESS EXPENSE REIMBURSEMENT REPORT

July 16, 2017

Period Covered

DATE	G/L Account	Description	AMOUNT
8/4/17		Seminar: P3 Conference registration	\$395.00
		<del>XXXXXXXXXXXXXXXXXXXX</del>	
		<del>XXXXXXXXXXXXXXXXXXXX</del>	
		<del>XXXXXXXXXXXX</del>	
		TOTAL	\$395.00

I acknowledge that I have read, understand and agree to Authority \*Policy 3.30 - Business Expense Reimbursement Policy and that any purchases that are not allowed will be my responsibility. I further certify that this report of business expenses were incurred in connection with official Authority business and is true and correct.

\* Policy 3.30

NAME *Amey L*

DATE *August 7, 2017*

Approved by the General Counsel

NAME

DATE



THE PUBLIC-PRIVATE PARTNERSHIP  
**AIRPORT SUMMIT**

JULY 24-25, 2017 • SAN DIEGO, CA - MANCHESTER GRAND HYATT HOTEL

[www.p3airportsummit.com](http://www.p3airportsummit.com)

# Event Schedule

Tuesday, July 25, 2017

7:00 AM - 8:30 AM	Summit Networking Breakfast <i>Expo Hall</i> Sponsored by: Goldman Sachs   Rutan & Tucker, LLP		
7:00 AM - 10:00 AM	Site Tour - Central Receiving and Distribution Center Tour at the San Diego International Airport <i>Advanced Registration Required   Meet in Lobby of Manchester Grand Hyatt Hotel for Shuttle Pickup</i>		
	Grand Hall A	Grand Hall C	Grand Hall D
8:30 AM - 9:30 AM	Attracting the Right Partner: Best Practices on Procuring Successful Airport P3s	Airport Terminal Redevelopment - How to Build a P3 Program that Fits	Lessons from US Airport P3s: Current and Prospective Projects
9:45 AM - 10:45 AM	Balancing the Tensions - Legal, Financial and Technical	Beyond the Terminal P3: CONRACS, Cargo, Fuel Facilities, FBOs	Comparison of Alternative Delivery Models
10:45 AM - 11:15 AM	Networking and Coffee Break <i>Expo Hall</i> Sponsored by: Husch Blackwell		
11:15 AM - 11:45 AM	Keynote Address: Jane Garvey, North American Chairman of Meridiam <i>Grand Hall D</i>		
	Grand Hall A	Grand Hall C	Grand Hall D
12:00 PM - 1:00 PM	Unleashing Value at Airports and Terminals	Airports Coming of Age - What's Over the Horizon and What Assets Make Sense for P3	LaGuardia Central Terminal B: Financing the Largest Aviation P3 in America
1:00 PM - 2:30 PM	Networking Lunch <i>Expo Hall</i> Sponsored by: Nossaman LLP   Plenary Group		
	Grand Hall A	Grand Hall C	Grand Hall D
2:30 PM - 3:30 PM	Integration of Airport Property, Linked Transit P3s and Commercial Development: Peña Station Denver	Understanding and Negotiating P3s at Medium and Small Hubs	Why the "F" in DBFOM?
3:45 PM - 4:45 PM		Eyes Wide Open: Airport Owner P3 Preparedness	Availability Payment & Deductions - What is Different with Airports
4:45 PM	Summit Ends   Exhibitor Breakdown		